# Daily Report

# East Europe

FBIS-EEU-91-086
Friday
3 May 1991

# Daily Report
## East Europe

*FBIS-EEU-91-086* *3 May 1991*

CONTENTS

**NOTICE TO READERS:** On 6 May 1991, the DAILY REPORT will begin phasing in new radio and television sourcelines that reflect how a station identifies itself. This change eliminates the "Domestic Service" and "Television Service" designations in favor of the station identification as broadcast. The presence of a new sourceline reflects this change in policy, rather than the establishment of a new station or network.

**NOTICE TO READERS:** * indicates material not disseminated in electronic form.

### INTERNATIONAL AFFAIRS


More on Havel Speech at Security Conference *[CTK]* ..... 1
Vranitzky Rejects New European Security Plans *[Vienna Radio]* ..... 1
Havel Discusses Conversion With U.S. Official *[CTK]* ..... 1
Dienstbier Discusses Regional Security *[CTK]* ..... 1
Italian Minister Addresses Security Conference *[CTK]* ..... 2
Prague Meeting of European Labor Ministers Ends *[CTK]* ..... 2
Eureka Conference Opens in Budapest *[MTI]* ..... 2


### BULGARIA


Democratic Center Supports Dissolving Assembly *[BTA]* ..... 3
Todorov Rejects Charges on MP's Files Issue *[DUMA 27 Apr]* ..... 3
Pushkarov on Idle Plants, Sale of Gas Stations *[DEMOKRATSIYA 25 Apr]* ..... 3
Assembly Adopts Competition Protection Bill *[BTA]* ..... 4
Tripartite Commission Sets New Minimum Wage *[DEMOKRATSIYA 25 Apr]* ..... 4
Monthly Compensation Payments Proposed *[Sofia Radio]* ..... 5
Black Sea Economic Cooperation Meeting Ends *[DUMA 26 Apr]* ..... 5


### CZECHOSLOVAKIA


Dlouhy Gives Briefing on Government Session *[CTK]* ..... 6
Republican Party Files Complaint Against Havel *[CTK]* ..... 6
Party Office Burgled; Political Motives Suspected *[NARODNA OBRODA 29 Apr]* ..... 6
Kanis on Communist Party's Prospects, Membership *[RUDE PRAVO 26 Apr]* ..... 6
Czech, Slovak United State Defended *[CTK]* ..... 7
IMF Mission Views Economic Reform Progress *[CTK]* ..... 7
Bank President Assesses Monetary Developments *[CTK]* ..... 7
Sales Tax Rates Reduced Effective 2 May *[CTK]* ..... 8
Carnogursky on Contract Defining Republic Powers *[NARODNA OBRODA 27 Apr]* ..... 8
Six Slovak Constitution Proposals Debated *[CTK]* ..... 8
Christian Democrats on Filling Slovak Posts *[CTK]* ..... 9
Meciar Interviewed on Circumstances of VPN Split *[CTK]* ..... 9
Comments on Platform's Aims *[NARODNA OBRODA 29 Apr]* ..... 10
VPN, ZDS Officials Remark on Movement's Split
*[CESKE A MORAVSKOSLEZSKE ZEMEDELSKE NOVINY 29 Apr]* ..... 11
VPN's Flamik: Cooperation With ZDS Unlikely *[CTK]* ..... 11
Commentary: VPN Split Produces 'Two Losers' *[Fuele in NARODNA OBRODA 27 Apr]* ..... 12
Matica Chairman on Foundation's Role in Republic *[NARODNA OBRODA 27 Apr]* ..... 12
Miners Hold Warning Strike To Support Meciar *[LIDOVE NOVINY 30 Apr]* ..... 12
Slovak Chemical TU Opposes General Strike *[Prague Radio]* ..... 13
VW Gains 80-Percent Stake in Slovak Car Factory *[CTK]* ..... 13
Civic Movement Leadership's Briefing Reported *[CTK]* ..... 13
ODA 'Willing' To Support Dubcek *[Bratislava Radio]* ..... 14

## HUNGARY

Jeszenszky Discusses Nation's Foreign Policy *[MAGYAR HIRLAP 27 Apr]* ..... 15
Positions 'Drawing Closer' in Ongoing EC Talks *[MTI]* ..... 19
Kupa on World Bank, IMF Assistance *[MTI]* ..... 19
Kupa Foresees Financial Bridgehead for Investors *[Budapest Radio]* ..... 19
Defense Minister Cables Romanian Counterpart *[MTI]* ..... 20
Economic Chamber 'Misgivings' on Government Plan *[Budapest Radio]* ..... 20
Bills on Bankruptcy, Budgetary Guarantees *[MTI]* ..... 20
Smallholders Opt for Strengthening Coalition *[Budapest Radio]* ..... 21
Agricultural Alliance on Policy Conflict *[Budapest Radio]* ..... 21
Cooperative Distributes Land to Former Owners *[Budapest Radio]* ..... 21

## POLAND

Walesa Sends Letter to Sejm on Amendments *[Warsaw Radio]* ..... 22
Bielecki Favors Planned Economic Advisory Meeting *[Warsaw Radio]* ..... 22
Sejm Amends Tax Law; Debates Ecological Issues *[PAP]* ..... 22
Sejm Commission Head Attacks Farming Policy *[TRYBUNA 25 Apr]* ..... 22
Skubiszewski: Ethnic Minorities Must Be Loyal *[Vienna DIE PRESSE 3 May]* ..... 24
Great Support for Tyminski at Party X Rally *[GAZETA WYBORCZA 29 Apr]* ..... 25
Labor Party Lacks Confidence in Government *[PAP]* ..... 25
Christian Democratic Coalition Prospects Reviewed *[RZECZPOSPOLITA 25 Apr]* ..... 26
Peasant Party's Bartoszcze Remains Chairman *[PAP]* ..... 26

## ROMANIA

Iliescu Meets Press; Urges 'Civic Responsibility' *[AZI 26 Apr]* ..... 28
Iliescu's News Conference Criticized *[ROMANIA LIBERA 26 Apr]* ..... 28
Roman Chairs First Meeting of New Cabinet *[ROMPRES]* ..... 30
Press Reaction to Government Reshuffle *[ROMPRES]* ..... 30
Chebeleu on Diplomatic Agenda, EEC Talks *[ROMPRES]* ..... 31
Further on Chebeleu Statements *[ROMPRES]* ..... 31
Military Budget Reportedly 32.3 Billion Lei *[ROMPRES]* ..... 32
Newspapers Protest High Price of Newsprint *[ROMPRES]* ..... 33
'Fratia' Leaders Comment on Meeting With Iliescu *[ROMPRES]* ..... 33
FSN Splinter Group Legalized as 'Separate Party' *[Bucharest Radio]* ..... 33
Opposition Writer Dinescu: Romanians Are 'Sick' *[Budapest NEPSZABADSAG 27 Apr]* ..... 34
Paler: Leadership Misfortune for Country *[ROMANIA LIBERA 25 Apr]* ..... 34

## YUGOSLAVIA

Croatian Police Seal Off Borovo Selo Village *[TANJUG]* ..... 36
JNA Tanks Move Toward Borovo Selo *[TANJUG]* ..... 36
Croatian Policeman Killed in Polaca *[Zagreb Radio]* ..... 36
Osijek Police Statement on 1 May Shooting *[TANJUG]* ..... 36
Details on Brsadin Killing Provided *[TANJUG]* ..... 36
Plitvice Army Blockade Breached by 5,000 *[Belgrade Radio]* ..... 37
Fifth Military District Statement on Rally *[TANJUG]* ..... 37
'Very Tense Atmosphere' in Vukovar Area *[TANJUG]* ..... 37
Croatian Police Ready To 'Settle Accounts' *[TANJUG]* ..... 38
'Terrorists' Fire on Croatian Helicopter *[TANJUG]* ..... 38
Borovo Selo Village 'Completely Cut Off' *[TANJUG]* ..... 38
Crowds Attack Serb Property in Krajina Villages *[Belgrade Radio]* ..... 38
35 Reportedly Killed in Borovo Selo *[TANJUG]* ..... 39
Army Denies Report of Clash With Croatian Units *[TANJUG]* ..... 39
Croatian President Tudjman's Statement *[Zagreb Radio]* ..... 39
Serb Party in Zagreb Wants Referendum *[TANJUG]* ..... 41
Serb Meeting Held Despite Croatian Police *[Belgrade Radio]* ..... 41
Trade Secretariat Warns Serbia on Levies *[TANJUG]* ..... 42
Serbian Economic Program Deemed 'Empty' *[BORBA 25 Apr]* ..... 42

Andrej Ocvirk Rumored To Replace Mencinger *[BORBA 25 Apr]* ..... 42
Democratic Action Opposes Serb Communes *[OSLOBODJENJE 28 Apr]* ..... 42
Community of Serb Communes Formed in Bosnia *[OSLOBODJENJE 27 Apr]* ..... 43
Bulatovic 'Discouraged' by FEC Program *[BORBA 22 Apr]* ..... 44
Montenegrin Assembly Rejects Markovic Program *[BORBA 25 Apr]* ..... 44
Montenegrin Security Denies 'Threat' to Tudjman *[TANJUG]* ..... 45

## More on Havel Speech at Security Conference

*AU3004132691 Prague CTK in English 1143 GMT 25 Apr 91*

[Text] Prague April 25 (CTK)— For the future of European security Czechoslovak President Vaclav Havel suggested today a system of collective pacts embracing three groups of states in the Conference on Security and Cooperation in Europe (CSCE)—members of the NATO alliance, neutral states, and so-called "post-communist" states.

The issue of European security is not a regional affair, but a matter for the entire world, said Havel in an inaugural speech for a two-day conference on "The Future of European Security."

He pointed out that Europe had been the friction point of a world divided in two until just recently. "Today, when a new, multipolar world is arising on the old continent, it is essential to reflect on its future," Havel said.

The conference assembles government officials from the 35 member- states of the CSCE plus some 100 specialists and journalists concerned with European security and is co-sponsored by Czechoslovak Foreign Minister Jiri Dienstbier and NATO Secretary General Manfred Woerner.

Havel described the North Atlantic alliance as "a time-tested and democratic institution," and praised it for its "Atlantic dimension," i.e. its inclusion of Canada and the United States. According to Havel, the West European Union and the European Community also have their roles to play in the formation of new European security structures. At the same time he highlighted the significance of the Soviet Union "without whose existence the future of European security cannot be imagined."

Following President Havel's speech was the conference's opening address by NATO Secretary General Manfred Woerner on "The New Security Equation."

## Vranitzky Rejects New European Security Plans

*AU2504190591 Vienna Domestic Service in German 1600 GMT 25 Apr 91*

[Text] CSFR President Havel opened a conference on the future of European security in Prague today. There contacts between NATO and the former East Bloc states will be established and a security vacuum after the dissolution of the Warsaw Pact is to be prevented.

Among the speakers in Prague was also Austrian Chancellor Vranitzky, who rejected the creation of new security structures in Europe. He proposed to work as far as possible with the already existing institutions because the development of new structures is too time consuming and laborious. The CSCE is a firm common roof that integrates the various security aspects, Vranitzky said. He called again for increased responsibilities of the Vienna-based CSCE conflict-prevention center.

## Havel Discusses Conversion With U.S. Official

*LD2604203391 Prague CTK in English 1852 GMT 26 Apr 91*

[Text] Prague April 26 (CTK)—Czechoslovak President Vaclav Havel received here today U.S. First Deputy Defence Secretary Paul Wolfowitz who attended the conference on "The Future of European Security" here.

They discussed the building of a future European security system, the role of NATO and the U.S. in the process, and dealt with the problem of conversion in the Czechoslovak arms industry. The U.S. Government offered to Czechoslovakia the training of its military and civilian experts.

## Dienstbier Discusses Regional Security

*LD2604170791 Prague CTK in English 1428 GMT 26 Apr 91*

[Text] Prague April 26 (CTK)—Soviet Deputy Foreign Minister Yuliy Kvitsinskiy told CTK today he cannot give any definite reply to Czechoslovakia's proposal to convene a meeting of the Warsaw Pact political consultative committee in Prague on July 1 as this must first be discussed by appropriate Soviet authorities.

Czechoslovakia would want this meeting to be the last one of the Pact and to make a decision on its abolition.

Kvitsinskiy, who took part in the April 25-26 conference on "the future of European security" here, today dicussed with Czechoslovak Foreign Minister Jiri Dienstbier a new bilateral treaty. They reached agreement on practically all chapters of the treaty.

Conclusion of similar bilateral treaties is planned also with other countries as part of a system of new relations in Europe.

Romanian Foreign Minister Adrian Nastase, also participant in the Prague security conference, discussed with Dienstbier his country's interest in joining the Pentagonal, the grouping for regional cooperation associating in addition to Czechoslovakia also Austria, Hungary, Italy and Yugoslavia.

Dienstbier's deputy Zdenek Matejka told CTK more prospective than expansion of the Pentagonal is the notion of creating groups of states having similar conditions and interets, but not firmly bound or organized. He mentioned the Black Sea, Balkan and northern groups.

Nastase invited Czechoslovak President Vaclav Havel, Premier Marian Calfa and Dienstbier to visit Romania.

Dienstbier also met today Bulgarian Foreign Minister Viktor Vulkov.

Dienstbier's talks with the three officials confirmed interest in upgrading mutual trade and cooperation.

### Italian Minister Addresses Security Conference

*AU3004130091 Prague CTK in English 1138 GMT 26 Apr 91*

[Text] Prague April 26 (CTK)— If the West fails to build pan-European integration it will mean not only the disintegration of the East, but also the disintegration of Western Europe, said Italian Foreign Minister Gianni de Michelis today.

In a speech entitled "The Changes in Central and Eastern Europe—Incentive or Setback for European Political Unification," de Michelis labelled the Nato alliance, the European Community, and the Council of Europe as the three pillars of European integration, and the Conference on Security and Cooperation in Europe (CSCE) as the roof, arching from San Francisco to Vladivostok. The address was given on the second and final day of a conference on "The Future of European Security," co-sponsored by Czechoslovak Foreign Minister Jiri Dienstbier and NATO Secretary General Manfred Woerner.

De Michelis outlined the itinerary for European integration, saying the first phase would include intensifying bilateral cooperation in the East, especially new types of aid agreements between the USSR and its former allies and among the countries of the former East bloc.

He also emphasized the importance of regional cooperation in forums such as the Pentagonal and among the Baltic states. This first phase would be concluded sometime in 1995 with an agreement between NATO and the Soviet Union thereby removing a significant source of potential tension and misunderstandings.

At least three Central European States—Czechoslovakia, Poland, and Hungary—could become members of the EC in the second phase, sometime between 2005 and 2010. According to de Michelis, this would strengthen both the influence of the EC and the influence of Central European countries on EC policy and decision-making. The third phase would then consist of putting the finishing touches on the pan-European structures.

### Prague Meeting of European Labor Ministers Ends

*AU2604140991 Prague CTK in English 1732 GMT 24 Apr 91*

[Text] Prague April 24 (CTK)—"We have come to the conclusion that migration does not solve anything. It is more effective to export jobs to the labor market than to export people to where the jobs are", Czechoslovak Minister of Labor and Social Affairs Petr Miller told European labor ministers whose two-day meeting ended here today.

"I think that the export of capital to and investment in the Central and East European countries is the key to solving social problems during the transition to a market economy", Miller said.

All participants in the meeting agreed that migration should be on an organized and temporary basis in order not to jeopardize European stability.

### Eureka Conference Opens in Budapest

*LD0205115291 Budapest MTI in English 1023 GMT 2 May 91*

[Text] Budapest, May 2, 1991 (MTI-ECONEWS)—The Eureka Congress was opened in Budapest this morning by Hungarian Minister of International Economic Relations Bela Kadar.

The event is being attended by around 600 participants from Hungary and the Eureka member countries, including the EC and EFTA member countries.

In his address, Mr Kadar said eliminating differences in the levels of economic and technical performance between the Eastern and Western countries was an urgent task.

This was something which could not be achieved without external support, he went on, adding that such support should also come in the form of sophisticated technology.

The Hungarian Government has taken quite a number of steps to remove the obstacles in the way of the free flow of technology and information, and to enable Hungary to hold its own in international research and development cooperation, Mr Kadar said.

The minister stressed that Hungary not only buys, but also sells, licences, know-how and consulting engineering services.

The large number of joint ventures or wholly foreign-owned companies—almost 5,000 of them—now operating in Hungary are proof that the technical and scientific skills and aptitude of Hungarian experts compare favourably with those of colleagues in more advanced countries, the minister said.

### Democratic Center Supports Dissolving Assembly

*AU0205170591 Sofia BTA in English 1603 GMT 2 May 91*

[Text] Sofia, May 2 (BTA)—An entire organization affiliated to the Union of Democratic Forces (SDS), the United Democratic Center, supports the declaration of the 36 opposition MP's who want early general elections and will leave parliament by May 15, it transpired today in the lobbies of parliament.

The United Democratic Center, which is headed by the cochairman of the parliamentary SDS, circulated a special declaration to this effect. The ultimatum is basically motivated by the impossibility of the incumbent parliament to adopt an adequate constitution. The declaration argues that this is proved by the laws passed so far by the parliament with a socialist majority.

The Union of Democratic Forces is still divided on the when and the how of ending this parliament's life: a centrist and a right wing have formed on the matter.

When the police files row erupted last week, four opposition MP's declared they were resigning their seats. These days they have not turned up in the chamber.

### Todorov Rejects Charges on MP's Files Issue

*AU0305100191 Sofia DUMA in Bulgarian 27 Apr 91 p 6*

[Text] On 25 April Academician Nikolay Todorov, chairman of the Grand National Assembly, gave a detailed explanation to the National Assembly of how he had dealt with the report of the Inquiry Commission on Personal Files and replied to those deputies who had insisted on his resignation in this connection. We publish Nikolay Todorov's speech with abbreviations.

I have already explained what my obligation was regarding the Grand National Assembly's decision of 20 December 1990 on the issue of the files, namely: to hand over the report officially submitted by the leadership of the Inquiry Commission to the representatives of the legislative groups in order for them to carry out the procedure detailed in the Grand National Assembly's decision.

The insinuations concerning arbitrary duplication of the report are futile. This relates to the preparation of a precise number of copies corresponding to the number of officially registered legislative groups, which were handed over against the signatures of the group leaders.

However, I wish to reiterate that I respect the chairmen of the legislative groups and am certain that they are not the source of the leak of information.

On 17 April, just within the prescribed deadline, the chairman and deputy chairman of the Inquiry Commission delivered the report, thus completing their task. They told me that the report was completed after the commission had discussed it three times, and that almost all the comments made had been taken into account. In response to my question whether they had any suggestions regarding the procedure, they replied in the negative.

I told two members of the Grand National Assembly who arrived later that the report had been handed over. They were the first to receive the report, and signed for it. No one objected to the procedure because all of us, including Mr. G. Ganev, had formed the conviction that we must follow the officially established procedure.

Accordingly, the Bureau cannot be subjected to reproaches that it limited itself to merely transmitting the report, because the Grand National Assembly's decision states that "the report is to be handed over to the leaderships of the legislative groups for their information," and makes no mention of the bureau. None of us was informed beforehand of the disagreements existing in the commission.

When I assumed the legislative chairmanship 10 months ago, I was fully aware of the difficult conditions and the constantly aggravated situation both in the legislature and outside. It is true that, like most of you, I am serving for the first time as a people's deputy. I do not hide the fact that I am not perfect. It was not always easy for me to take control of the situation at times when members showed lack of restraint or failed to maintain high standards of political and legislative behavior.

However, it is perfectly clear to anyone who is not a political ignoramus that the present attitude of certain circles to me and the call for my resignation are not accidental.

Let me remind you that at the time of my election as chairman of the assembly, some members of the legislature sought to obtain compromising material about me from the Bulgarian Academy of Sciences. Following this, a further campaign was mounted against me in the streets. A few months ago, a petition was started, and I was told only a few days before this latest incident that this action was being repeated, with almost the same signatures.

It is evident that my efforts to preserve the legislature and my attempts to overcome the confrontation that often arises in this hall and to seek and help to find the necessary compromises are not to the liking of certain political forces and, what is more, certain individuals. In this specific case, an attempt is clearly being made through me to make use of the whole affair of the personal files report to discredit the Bulgarian Socialist Party.

### Pushkarov on Idle Plants, Sale of Gas Stations

*AU0205173491 Sofia DEMOKRATSIYA in Bulgarian 25 Apr 91 p 2*

[Mariana Kostova report]

[Text] Production facilities valued at over 7 billion leva are standing idle, Minister Pushkarov announced on 24 April at a news conference held at the Ministry of Industry, Trade, and Services. Moreover, a further 17 billion leva (according to the old prices for materials) are invested in uncompleted construction. The ministry has drafted a plan to make use of these funds, by offering some of these construction projects directly to foreigners. As for the unoccupied production facilities, they are a problem for the economic managers, who must display energy and resourcefulness. The decentralization and elimination of monopolies will assist in this.

The first sales of stores and gas stations will soon begin. Minister Pushkarov has received an assurance that some of the laws that hamper the small privatization will be repealed this week, such as the law establishing the monopoly on trading in gasoline. Following the amendments made to Decree No. 56, a start can be made on turning individual enterprises into joint stock companies, especially ones that possess a high level of expertise.

The Ministry of Industry, Trade, and Services has also developed plans for preserving Soviet markets. An official government visit is planned, which will insist on removal of the ban on barter deals for Bulgarian goods and demand direct contacts with the individual Soviet republics.

## Assembly Adopts Competition Protection Bill

*AU0205191091 Sofia BTA in English 1737 GMT 2 May 91*

[Text] Sofia, April 26 (BTA)—Parliament today passed a Protection of Competition Act, the first antitrust law and, as experts see it, the first step towards privatization.

The basic idea of the legislation is to demonopolize the Bulgarian economy which was dominated by monopolies and administered by command in the last decades. The act provides an extra guarantee of a simplified economic structure. Law courts are granted sweeping powers to carry out the demonopolization process. There is established a special watchdog commission for the protection of competition which will only have the right to notify the court of violations. Experts believe that the courts will find it difficult to cope with their new functions right away because so far Bulgarian business law was oversimplified and administrative.

Even though the law provides sound protection for competition, a lot of problems are expected because there are businesses monopolizing entire branches of the Bulgarian economy and they desperately defend their interests.

The government and the local councils are given six months to demonopolize the companies and organizations they have set up.

The act guarantees conditions for freedom of enterprise in manufacturing, trade and services, for free pricing and for the protection of consumer interests. It lays down defenses against abuses of monopoly market situations, against unfair and restrictive competition.

The law defines as "monopoly situation" the situation of a person or a business legally enjoying the exclusive right to conduct a definite type of business activity or conducting more than 35 percent of a definite type of business activity. Experts say that this threshold approximates the percentage codified in French legislation.

The act bans the association, takeover and merger of businesses if leading to the restriction of competition.

The law enacted today also bans the abuse of a monopoly situation, defined as the conduct of actions restricting competition or harming consumer interests.

Contracts and decisions by associations, economic groups and unions providing for the creation of a monopoly situation in the country shall be considered null and void. Terms of contract restricting one party in the choice of a market, sources of supply, buyer and consumer are banned.

The law lists particular cases of unfair competition which is prohibited. The acquisition, use or disclosure of another party's production and trade secret also qualifies as unfair competition.

Those who violate this law face heavy fines, grave violations may lead to the compulsory winding up of the offending company.

## Tripartite Commission Sets New Minimum Wage

*AU0205173191 Sofia DEMOKRATSIYA in Bulgarian 25 Apr 91 p 1*

[Nora Stoichkova report]

[Text] At its 24 April meeting the tripartite commission decided that the level of the national minimum wage, including the new compensation payments, should rise from 435 to 534 leva, i.e. that the compensation supplement (of 270 leva) should be increased by 99 leva. The grounds for this decision lie in the lack of correlation between the real values of the freed prices and the population's incomes. It became clear at the meeting yesterday that the supplements to the wages in February barely made up for 55 percent of the rise in cost of living, whereas the Agreement on Social Peace specified that they should cover 70 percent.

The meeting also discussed a further alternative, which provided for a compensation payment of 75 leva, but the trade unions fought furiously in support of the first version. "We do not want to increase incomes, but to protect them against progressive decline," stated Professor Petkov (leader of the Confederation of Independent Trade Unions in Bulgaria). "The agreement must be observed," declared Mr. Michkovski (of the Podkrepa Labor Confederation).

The government's arguments for a lower level of compensation to be accepted were also not without weight. The chief reason was that even the present level of compensation poses serious difficulties for both the enterprises and the budget. According to Deputy Prime Minister Dimitur Ludzhev, the higher compensation payments pump up inflation. "The budget is in an exceptionally grave condition.... The deficit looks likely to rise to about 20 billion leva, instead of the 8 billion leva planned.... Budget revenues are in a lamentable state," Mr. Ludzhev said.

The commission adopted a differentiated approach in calculating the supplements related to the amount of the gross wage, to avoid the trend for minimum and average wages to draw level with one another.

The commission adopted a decision that the economic enterprises should pay the amount of compensation that they can afford (as was the case last time).

The commission also discussed regulations for the forthcoming wage negotiations, and decided that the relevant draft decree should be prepared within 10 days. The negotiation process will probably come into force as of 1 June, and will be conducted collectively in enterprises where trade unions exist and individually in other cases.

### Monthly Compensation Payments Proposed

*AU0305100491 Sofia Domestic Service in Bulgarian 0900 GMT 5 May 91*

[Report on 3 May session of Tripartite Commission on Coordinating National Interests held at the Council of Ministers in Sofia—live telephone dispatch by unidentified reporter]

[Text] At its session today the Tripartite Commission on Coordinating National Interests examined a draft Council of Ministers decree concerning additional social protection for the population in connection with the liberalization of prices. The draft decree proposes to establish new minimum monthly wage levels of 518 leva for the month of April, and 505 leva for May.

It is interesting that additional new levels of compensation are proposed for other payments. For example, the new level of compensation for cash allowances for mothers giving birth and for looking after children, in accordance with the Decree for Stimulating the Birth Rate are 339 leva for April, and 329 leva for May. Many of our listeners will be interested to know that the new level of compensation for the monthly supplementary allowances for children are 140 leva for each child for the month April, and 130 leva for May. The new levels of compensation for pensions are 254 leva for April, and 247 leva for May.

Of course, the draft decree contains a great number of clauses, which we hope to give our listeners further details on in later transmissions.

### Black Sea Economic Cooperation Meeting Ends

*AU0105190791 Sofia DUMA in Bulgarian 26 Apr 91 p 6*

[Petur Gornenski report: Third Black Sea Cooperation Meeting Ends Successfully"]

[Text] The Sofia meeting of the experts from the four Black Sea countries ended successfully. A draft declaration was prepared, and it will be discussed at the next meeting in Moscow, which will be at the level of deputy ministers of foreign affairs.

Sasho Spasov, leader of the Bulgarian delegation, expressed satisfaction with the successful conclusion of the meeting, despite the difficulties that accompanied the work of the experts. He pointed out that several unresolved issues remain, and that several different proposals exist. Those proposals will be finally coordinated. At this stage we achieved our goals, Mr. Spasov pointed out. In the final analysis, the principles, goals, forms, and areas of cooperation among the Black Sea countries, preliminarily expressed in the Bulgarian draft, were reflected in the draft document that was prepared. If this document is finally approved, the character of this cooperation will strongly differ from the initial idea, presented last year in Ankara.

Aman Bashkut [name as published], leader of the Turkish delegation to the meeting, also pointed out its successful character. He expressed confidence that the existing problems will be resolved at the political level during the next meeting in Moscow. Mr. Bashkut pointed out two basic elements of future cooperation among the Black Sea states. First—cooperation at intergovernmental level, and second—cooperation among businessmen and entrepreneurs. He pointed out now attention is mainly directed toward cooperation in the area of trade, small and medium-range enterprises, and investments.

### Dlouhy Gives Briefing on Government Session

*LD0205210591 Prague CTK in English 2007 GMT 2 May 91*

[Text] Prague May 2 (CTK)—The Czechoslovak Government believes state control of oil imports and oil products is necessary in the present period of transition from a command economy to a market-based one.

Speaking to journalists after today's regular government session, Czechoslovak Economics Minister Vladimir Dlouhy said the government should retain a certain amount of influence in the following five areas of the oil economy: prices and taxes, oil products stocks, foreign trade, the building of oil reservoirs of strategic importance, the expansion of oil-carrying facilities, and oil economy legislation in the case of a significant shortfall in supplies. The government decided to spend the 300 million crowns (1 USD; 30 crowns) saved thanks to the fact that the prices of imported oil were lower than expected, on environmental projects. Each of the two constituent parts of Czechoslovakia, the Czech and the Slovak Republics, will receive one half of the total sum.

The government approved a draft for an amendment to the law of July 19, 1990, on the property of religious orders and congregations and the archbishopric of Olomouc (North Moravia), under which 74 buildings have been returned to religious orders and congregations.

The amendment redresses an imbalance in the number of buildings returned to Czech and Slovak religious orders and congregations. Under it, another 200 buildings 120 in the Czech Republic and 80 in the Slovak Republic, are to be returned to the religious orders. They could not be included in the original law because the requisite legal documentation was not available. This obstacle has since been removed.

After the Communist Party took power in February 1948, religious orders were liquidated, though never legally outlawed, and their members persecuted. There are currently 80 religious orders and congregations in Czechoslovakia.

The government also approved today a bill on freedom of religion and on the position of churches and religious orders.

Dlouhy confirmed at the press conference that he has been offered the post of Czech deputy premier. He said certain conditions would have to be met if he were to accept the offer.

The offer was mentioned earlier today by Daniel Kroupa, deputy chairman of the Civic Democratic Alliance (ODA), of which Dlouhy is a member.

Kroupa said the offer would be accepted only if Dlouhy were invested with sufficient powers in carrying out economic reform policy in proportion to his reponsibilities.

Kroupa also said a number of changes would have to be made in the Czech Government, especially in economic ministries.

Speaking at the press conference after the government session, Czechoslovak Deputy Premier Pavel Rychetsky said the government has not discussed a possible replacement for Dlouhy in the post of federal economics minister.

### Republican Party Files Complaint Against Havel

*LD0205214391 Prague CTK in English 2037 GMT 2 May 91*

[Text] Prague May 2 (CTK)—The Assembly for the Republic-Czechoslovak Republican Party (SPR-RSC) lodged a complaint against Czechoslovak President Vaclav Havel today in Prague 2 District Court.

According to SPR-RSC press secretary Jan Vik, Havel accused the Republicans of Hitlerism and anti-Semitism in his regular Sunday radio address on April 28. Vik said there was "not even the slightest justification" for the accusations "in either our activities or in our programme".

Havel's spokesman Michael Zantovsky said it was beneath the president's dignity to comment on the matter.

### Party Office Burgled; Political Motives Suspected

*AU0305090791 Bratislava NARODNA OBRODA in Slovak 29 Apr p 2*

[Unattributed report: "A Political Burglary?"]

[Text] The Central Secretariat of the Association for the Republic—Republican Party of Czechoslovakia was burgled and vandalized in the night from Friday [26 April] to Saturday [27 April]. Jan Vik, secretary of the Association for the Republic—Republican Party of Czechoslovakia announced that there is a warranted suspicion that political motives lay behind this criminal act. In this connection, he warned citizens and all institutions to receive and handle with caution any documents bearing the party's letterhead or the signatures of its functionaries.

### Kanis on Communist Party's Prospects, Membership

*AU0205180691 Prague RUDE PRAVO in Czech 26 Apr 91 p 2*

[Vaclav Pergl report: "Clubs of Democratic Left in the Communist Party of Bohemia and Moravia Are Taking Shape; Deputies Kanis and Kraus Among Voters"]

[Excerpts] Pardubice— "Our policy will be successful when we participate in power. Let us view ourselves from this perspective. The important thing is not what is

going on within the party, but whether we shall succeed in gaining allies. It is not even the percentage of votes won in the elections that matters but whether anyone will invite us into a coalition. The chances of the Slovak Party of the Democratic Left [SDL] are better in this regard than are the chances of the Communist Party of Bohemia and Moravia [KSCM]."

This is what Pavol Kanis, chairman of the Federal Council of the Communist Party of Czechoslovakia, said before some 700 KSCM voters, members, and sympathizers in Pardubice on 24 April when replying to a question about the future prospects of communists.

Michal Kraus, deputy to the Czech National Council, said that Clubs of the Democratic Left are taking shape in the KSCM. [passage omitted]. A national meeting of supporters of the Clubs of the Democratic Left will be held in the KSCM Central Committee building on 4 May.

Developments in Slovakia and the work of the National Council, too, were discussed at the rally. Asked how many members the Communist Party of Czechoslovakia actually has, Kanis replied: "No one knows the exact number. Only a new registration can show that. The SDL, as the current reregistration shows, could have 60,000 members."

Speaking about the transfer of the property of the former Communist Party of Czechoslovakia to the people, Kanis estimated the party's debt at 300 million korunas. "I do not know how to repay that debt," he said. According to Kanis, early parliamentary elections could be called in the event of a governmental or parliamentary crisis. "Such a crisis could come about, for example, during the approval of new constitutions."

### Czech, Slovak United State Defended

*LD0205214791 Prague CTK in English 2048 GMT 2 May 91*

[Text] Prague May 2 (CTK)—"It is the supreme duty of all of us living in a united Czechoslovakia to do our utmost for the preservation of the common state" of Czechs and Slovaks, chairman of the council of the "Czechoslovak Understanding Movement" Vladimir Cech said here today.

Cech was addressing a meeting held in support of a united Czechoslovakia. Participants also paid tribute to Slovak hero Milan Rastislav Stefanik, a general in the French Army, a leading repesentative abroad of the resistance movement during World War I, co-founder of the Czechoslovak Republic in 1918, and army minister of the new republic. He died in a plane crash on May 4, 1919.

Responding to calls by some Slovaks for the separation of the Slovak Republic, the smaller of the two constituent parts of Czechoslovakia, from the Czech Republic, Cech said regular public opinion polls show that almost 75 per cent of Slovaks want to live in a common state with the Czechs.

Guests to the meeting included deputies to the Czechoslovak Federal Assembly (parliament) Daniel Kroupa (Civic Forum) and Jan Mlynarik (Public Against Violence).

The Czechoslovak Understanding Movement will organise another meeting in support of the Czech and Slovak coexistence in one state in Bratislava tomorrow, and a rally is planned on May 4 at the monument to Stefanik at Bradlo near Bratislava, the site of his fatal plane crash.

The Czechoslovak Understanding Movement ran in the June 1990 parliamentary elections but failed to obtain 5 per cent of the vote necessary to enter the federal parliament.

### IMF Mission Views Economic Reform Progress

*LD0205202991 Prague CTK in English 1812 GMT 2 May 91*

[Text] Prague May 2 (CTK)—Bijan Aghevli from the International Monetary Fund (IMF) said here today economic reform is being implemented in Czechoslovakia as expected.

Aghevli, who heads an IMF mission which arrived in Czechoslovakia on April 16 to analyse the results of the first stage of the reform launched on January 1, 1991, praised the government for keeping inflation under control. He said the decline in industrial production of 11.9 per cent in the first three months of 1991 is unpleasant but in line with predictions. Aghevli said the decline was caused to a great degree by the disintegration of the East European and Soviet markets.

Aghevli said there must be a single economic reform for all of Czechoslovakia though he noted that the Slovak Republic, the smaller of the two republics constituting Czechoslovakia, is less-industrialised than the Czech Republic. Aghevli stressed that the reform should be carried out as quickly as possible. A slower pace may seem more suitable, but it would mean the risk of reversing the whole process, he warned.

The IMF mission has also studied Czechoslovakia's further economic goals and the social impact of its reform.

### Bank President Assesses Monetary Developments

*LD0205215191 Prague CTK in English 2054 GMT 2 May 91*

[Text] Bratislava May 2 (CTK)—Czechoslovak State Bank President Josef Tosovsky is satisfied with the development of Czechoslovakia's inflation rate whose growth of 25 per cent last January dropped to 7 per cent in February and to a mere 4.7 per cent in March.

Assessing monetary developments in Czechoslovakia in the first three months of this year, Tosovsky said the value of the Czechoslovak crown against the basket of the five basic currencies is stabilising and no devaluation is planned in the near future.

Czechoslovakia's balance of payments is better than expected and its deficit in the first quarter of 1991 amounted to only 300 million USD against the expected 900 million. The state of foreign currency reserves in Czechoslovakia is also favourable. They now amount to 1,650 million USD against 1,200 million on January 1, 1991, Tosovsky said. He added that the state budget showed a surplus of 13,000 million crowns in the first quarter of this year.

### Sales Tax Rates Reduced Effective 2 May

*AU0205160691 Prague CTK in English 2237 GMT 29 Apr 91*

[Text] Prague April 29 (CTK)— Given a larger budget surplus for the first quarter of this year than expected, the Federal Government has decided to lower indirect taxes by an average of 10 percent, Finance Minister Vaclav Klaus announced today on Czechoslovak Television.

The following changes should be announced by tomorrow at the latest: the 32 percent tax rate will be lowered three percentage points, the 22 percent rate will be reduced two percentage points, and the 12 percent rate will drop one point.

Klaus said a fundamental change in the tax system is now being prepared and the new system should take effect on January 1, 1993.

[Prague HOSPODARSKE NOVINY in Czech on 30 April on page 3 carries a 300-word announcement by the Federal Ministry of Finance "on changes and amendments to the tariff of sales tax rates." The announcement states that the new sales tax rates [sazby dane z obratu]—29, 20, and 11 percent—go into force on 2 May 1991]

### Carnogursky on Contract Defining Republic Powers

*AU0205142591 Bratislava NARODNA OBRODA in Slovak 27 Apr 91 p 1*

[Interview with Slovak Prime Minister Jan Carnogursky by A. Melicharkova in Bratislava on 24 April: "It May Be the First Step"—first paragraph is NARODNA OBRODA introduction]

[Text] Bratislava—We approached Slovak Prime Minister Jan Carnogursky after President Vaclav Havel made his statement following his meeting with the Czech political representation.

[Melicharkova] The president stated that the idea of an interstate agreement between the Czech and the Slovak Republics based on international law is not acceptable to the Czech side. At the same time, the Czech side understands the Slovaks and the Slovak political representation and is willing to meet them halfway in signing a document that has no legal power or obligation.

[Carnogursky] Thus far, I do not know the details of the stand taken by the Czech representation, so do not take it literally. Basically, it is a problem concerning the legal form of the agreement entered into by the Czech and the Slovak Republics, which was, I believe, very well presented in HOSPODARSKE NOVINY on 12 April by Academician Viktor Knapp. It means that it does not depend on us, i.e. on the Slovak or the Czech Republic, whether it would or would not be an international agreement. The form of the agreement is only marginally affected by the title. It is the content and legal position of the participants that decide the character of the agreement. The reality is such that the Slovak Republic and the Czech Republic are parts of the CSFR, and therefore they do not qualify as international legal entities. They would not acquire this status even if they adopted a declaration of sovereignty, because it depends on the independence of the state and whether or not it is recognized by the international community. I believe that in this case, particularly the latter condition is the deciding factor.

[Melicharkova] So, what is your opinion regarding entry into this agreement?

[Carnogursky] I think that for the aforementioned reasons, it is not necessary to define its form. It will be simply an agreement between the Czech Republic and the Slovak Republic on delegating certain powers to a common state. We leave it to others to decide on the form of the agreement.

[Melicharkova] Are you concerned that for other European states and countries of the world this agreement would be just a piece of paper?

[Carnogursky] There is the Vienna agreement on contractual law from approximately 1969. It is true that it would not be an agreement between two sovereign states. I repeat that it is a result of conditions beyond our control.

[Melicharkova] In response to the question what good then does such an agreement do, Jan Carnogursky said, among other things, that it may eventually be the first step to its recognition as an international agreement at a later date.

### Six Slovak Constitution Proposals Debated

*LD0205193891 Prague CTK in English 1508 GMT 2 May 91*

[Text] Bratislava May 2 (CTK)—The six proposals for a new Slovak constitution submitted so far differ mainly in their conception of the relationship between the

Slovak and Czech Republics—a problem expected to be resolved in a final draft drawing on ideas from all six.

Journalists learned about the proposals today at a press conference with representatives of the government and parliamentary commission for the preparation of a new constitution, the Slovak National Party (SNS), the Christian Democratic Movement (KDH), independent Slovak parliamentarian Petr Brnak and both platforms of the recently divided Public Against Violence (VPN) movement, VPN and VPN-for Democratic Slovakia.

Karol Plank, chairman of the constitutional commission and the Slovak Supreme Court, said a consensus had been reached that the relationship between the two republics must be founded on a Czech-Slovak treaty. But he denied that Slovakia wanted a treaty based in international law.

"No one on the Slovak side is demanding an international treaty, but rather a contractual basis for relations between the two republics", said Plank, explaining that the Czech and Slovak Republics—with respective populations of roughly ten and five million—though not subjects of international law are nevertheless subjects of state law.

Plank rejected the view that a treaty between the republics would nullify the current federation, which he described as "a reality". The aim of a treaty is not to establish a new federation but to redistribute the division of powers, he said.

The proposal for a Czech-Slovak treaty, first put forward by the KDH, would limit the powers of the federation, the Czechoslovak president and the federal parliament and would change the conditions for joining or seceding from the federation. Neither the KDH nor any other Slovak political party has provided further details.

President Vaclav Havel has invited Czech, Slovak and federal officials to negotiate the new constitutions at the presidential country residence at Lany on May 10.

### Christian Democrats on Filling Slovak Posts

*LD0205182891 Prague CTK in English 1302 GMT 2 May 91*

[Text] Bratislava May 2 (CTK)—Candidates' competence and not party affiliation will be the decisive criterion in filling vacant seats in the Slovak Government following last week's reshuffle, chief secretary of the Christian Democratic Movement (KDH) Jan Petrik told journalists today.

Current coalition talks on the filling of the remaining four seats in the Slovak Government are due to end tomorrow. Petrik said a key post is that of Slovak deputy premier responsible for economic reform, held by Jozef Kucerak until his recall by the Slovak National Council (parliament) last week. Petrik said the fundamental principles of economic reform would not be changed but certain modifications are necessary to take into account some of the specific conditions in Slovakia. The post must be held by someone who will approach problems *from Slovakia's and not only from the federal point of* view, Petrik said. (Kucerak - Public Against Violence movement - was regarded as an unequivocal supporter of federal economic reform policy.)

Petrik said Finance Minister Michal Kovac and Minister for Economic Strategy Rudolf Filkus (both VPN-for Democratic Slovakia-ZDS) are considered capable experts and were asked to stay in the government. The two ministers resigned last week in protest at the way former Premier Vladimir Meciar was dismissed by the Slovak parliament Presidium but their resignations were not accepted. KDH Deputy Chairman Anton Andras (former Slovak interior minister after last year's elections) said the question of their remaining in the government was complicated because the VPN-ZDS has declared it would go into opposition and the presence of two opposition ministers in the coalition government would, in his view, be impossible.

### Meciar Interviewed on Circumstances of VPN Split

*AU0205161091 Prague CTK in English 1719 GMT 28 Apr 91*

[Text] Kosice April 27 (CTK)— In a situation when the Public Against Violence (VPN) has passed over power to the Christian Democratic Movement (KDH), the VPN-For Democratic Slovakia (ZDS) will apparently be the only force that will keep in the center and pursue a balanced and unifying Slovak policy, ZDS leader and former Slovak Premier Vladimir Meciar has told journalists.

During meetings at the congress where the VPN split yesterday Meciar said that in his opinion the basic difference between the two streams is in the view "on the national pillar," on economic reform, and social guarantees.

He said the decision to split was complicated but inevitable. The differentiation was not a matter of persons but of concepts between the VPN leadership and those who leaned to the ZDS. Discontent had existed for several months, not only recently in connection with Meciar's name, he said. In his opinion, the VPN is now losing not only political influence that it has given up voluntarily, but also power.

He said the ZDS congress will decide whether the platform will be a movement or a party and it will take at least two months to prepare the congress. He said the ZDS was not abandoning the VPN program "A Chance for Slovakia" but, as KDH programs will have a priority now that Prime Minister Jan Carnogursky is from the KDH, we will have to be in opposition where plans will not be within the framework of the VPN program.

Meciar indicated that his faction has received support from Czech parties, even for partnership in a federal coalition, but he said it was premature to specify them.

He said that he has had health problems from overwork but reached agreement with his physicians that he would undergo intensive treatment only after the ZDS congress.

[Bratislava PRAVDA in Slovak on 29 April on page 2 carries a 400-word CTK report on the above interview with Vladimir Meciar. It includes the following additional passage: "Responding to the speech by the chairman of the Slovak National Council at the VPN Assembly, in which he claimed that V. Meciar had offered the seat of prime minister to Jan Carnogursky and the seat of parliament chairman to his brother Ivan, V. Meciar said: 'Mr. Miklosko will once again have to kneel on the confession bench and ask for forgiveness because he did not speak the truth.'

"'Can you imagine me offering power to Carnogursky? When people from the KDH came to me for the first time with the proposal that I become deputy prime minister in their coalition government, I threw them out in such a way that my people reproached me for having acted tactlessly. The KDH will now try to build its own structures of state administration and its own state apparatus'." In the PRAVDA account of the interview, Meciar also claims that "the political situation in Slovakia has been influenced neither by the parliament nor by the government but, rather, by Gal, Flamik, Zajac, Miklosko, and the Carnogursky brothers.... Whatever they agreed on happened and the Slovak National Council and the government were mere transmission belts of their will."]

### Comments on Platform's Aims

*AU0305092991 Bratislava NARODNA OBRODA in Slovak 29 Apr 91 p 2*

[Interview with former Slovak Prime Minister Vladimir Meciar by Gabriel Beer; place and date not given: "Extraordinary Elections Are Essential"]

[Text] [Beer] In your opinion, could the Public Against Violence [VPN] movement remain united?

[Meciar] If the VPN was to get rid of those who handed over the election results to the Christian Democrats, it could remain united. Because it was unable internally to come to terms with what we consider to be a betrayal of the voters' interests, it had to split. The way this has come about was our original suggestion; therefore, the way we look at the conclusion is that we were not to blame for what—unfortunately—happened.

[Beer] Do you think it is possible to return to a united VPN?

[Meciar] Do you want me to become a futurologist? I know this is not part of the future.

[Beer] With whom could you form a coalition?

[Meciar] We are not striving for a coalition with anyone. Why would we want one? We are a constructive opposition, and we will implement our own program our own way and with our own means. As far as looking for a partner is concerned, we will find one sooner on the Czech political scene. Perhaps we will find one, perhaps not. As far as the Slovak political scene is concerned, it has been stabilized for the moment. There are various possibilities for future development.

[Beer] However, the political spectrum is changing in the Christian Democratic Movement's [KDH] favor....

[Meciar] It has already been formed in the KDH's favor. The Christian Democrats' seizure of power means that they will attempt to establish their own structures in the state administration and state apparatus as they have always done until now.

[Beer] With what kind of feelings have you accepted the separation?

[Meciar] The step when we decided we had to separate was rather complicated; however, practice later indicated that it was unavoidable. The differentiation within the movement was not a question of individuals but of ideological concepts between the current leadership and those who were inclined toward the For a Democratic Slovakia [ZDS] platform. It is not connected with my name since elements of dissatisfaction had existed for several months, and we realistically acknowledged them. As far as development is concerned, I believe we are just reaching the situation where the VPN—in the form in which it now exists—is losing not only its political influence, but also the power it has renounced voluntarily.

[Beer] Will the new platform be organized like a party or movement, and what does "the ZDS will act like a constructive opposition" mean?

[Meciar] A collective must decide about the ZDS' structure; that is not within my jurisdiction. First of all, an assembly has to be prepared. This is a question of two months. Structures for towns and communities have to be established. We will try to form a program.

As far as the VPN program is concerned, we will not withdraw from it. This does not mean that we are against everything. What we acknowledge—in harmony with the program and in harmony with our consciences—we will support. We are not going into the opposition against the government. We will have to be in the opposition when the government's proposals exceed the limits of the VPN program and when—since the prime minister is from the KDH—the KDH's policies are given priority. We have to defend the "Chance for Slovakia" that we promised the people.

Early legislative elections are the only way out of the current situation. The Slovak National Cuouncil Presidium should be restructured from majority to proportional representation before they are held.

### VPN, ZDS Officials Remark on Movement's Split

*AU0205123391 Prague CESKE A MORAVSKOSLEZSKE ZEMEDELSKE NOVINY in Czech 29 Apr 91 p 3*

[Petr Novacek report: "Every Divorce Is Sad"]

[Text] During proceedings at the Public Against Violence [VPN] movement's extraordinary assembly in Kosice and in interviews with leading representatives from both Gal's VPN and Meciar's For a Democratic Slovakia [ZDS] platform, we recorded the following interesting points of view on the current political scene.

We have selected at least a few of them for publication today. We will return to the rest some other time.

Slovak National Council [SNR] Chairman Frantisek Miklosko (VPN): "I have various feelings from the assembly. The first one is sadness. Budaj, Knazko, and the rest of us did not begin together on the barricades in November 1989; common activity had bound us together before that. We were chased around together following our interrogations. Suddenly, one man appeared on the scene and broke us up. The second feeling is uncertainty. Both as far as the VPN is concerned and as far as the whole of Slovakia is concerned. The situation with the political forces is such that no one can say with certainty how it will develop. My third feeling, however, is the most basic: For a long, long time, we did everything possible just to make sure we agreed. Nevertheless, in the end we had to admit—and the discussion at the assembly showed this—that agreement is no longer possible, and we have to take a radical step. The mere fact that the ZDS is in favor of early elections is unacceptable to us. I am convinced that we did what we had to do."

Milan Knazko (VPN-ZDS): "We are not initiating early elections; none of us has ever said this. It is a little foolish to suspect us of such a thing. The SNR would have to make a decision on this issue in a legal manner, and the VPN-ZDS has only 19 deputies in this body. We are not working according to extraparliamentary methods either, as Mr. Miklosko has indicated here. The SNR Presidium bears full responsibility for the meetings, protest strikes, and so on. Otherwise, this activity is in line with the constitution. We struggled for the freedom of assembly. The citizen is the basis for the legitimacy of a civic movement. We have always held meetings with the citizens, and we will continue to do so. We do not want to become isolated like the VPN from Jiraskova Street." (F. Gal's wing—editor's note)

Former Slovak Prime Minister Vladimir Meciar (VPN-ZDS): "As far as early elections in Slovakia are concerned, I see them as the only acceptable solution to the situation that has arisen following the division of the VPN. Today the VPN has lost its political influence and power; it gave them up voluntarily to the Christian Democratic Movement. It is continuing to lose influence among the citizens who will—in time—find their orientation. I see faces around me here, many of which are politically dead."

VPN Slovak Council Chairman Fedor Gal (VPN): "The most recent decisions made by the SNR (especially recalling J. Kucerak from the post of deputy prime minister—editor's note) indicate that communists—that is, today's Party of the Democratic Left—and the Slovak National Party are also behind Meciar's VPN-ZDS platform. Public opinion polls also reveal these three groupings' similar stance on economic reform and the constitutional and legal arrangement. Who is with whom will be clear after the next legislative elections. I—as opposed to M. Knazko and other ZDS representatives—do not claim that the entire Slovak nation is behind the VPN. I am instantly wary of political groupings and people who pass themselves off as spokesmen for the whole nation. The situation is different in real democracies."

CSFR Prime Minister Marian Calfa (VPN): "I have mixed feelings. Both parties suffer in every divorce. My image of the VPN was of a strong movement that meant something on a Slovak and Czechoslovak scale. A new era is beginning in which the VPN and ZDS will again establish their political profiles. Meciar's platform is a strong grouping, and if I were the appropriate constitutional official, I would offer it a certain position in the just reconstructed Slovak Government. It is unnecessary to force into opposition all those who should not have to be there. Meciar is a recognized politician who will not leave the scene. Not seeing him would be imprudent. Apart from this, when the SNR Presidium recalled V. Meciar, it perhaps took into consideration the fact that an individual is only an individual; however, the ZDS platform has broader proportions."

### VPN's Flamik: Cooperation With ZDS Unlikely

*AU0205160391 Prague CTK in English 1659 GMT 29 Apr 91*

[Text] Prague April 29 (CTK)— "It is hard to imagine that two political forces, one within the coalition (Public Against Violence movement VPN) and the other in opposition (VPN-For Democratic Slovakia, VPN-ZDS), can work together, Chairman of the VPN Coordination Center Juraj Flamik told a press conference here today.

Referring to Saturday's extraordinary congress of the VPN in Kosice, East Slovakia, at which the movement officially split, Flamik said the VPN-ZDS breakaway platform described itself after the congress as a "constructive opposition."

Flamik said Sunday's coalition talks in Bratislava on the composition of a new Slovak Cabinet were attended by representatives of all four coalition partners (VPN, the

Christian Democratic Movement, the Slovak Democratic Party, and the Hungarian Independent Initiative). He said the VPN wants a competent government to be built quickly and to work in an atmosphere of cooperation instead of political disputes.

Flamik acknowledged the possibility that VPN economic experts, led by Jozef Kucerak, former Slovak deputy premier and the chief advocate in Slovakia of the current reform program, will make up a liberal force of the political center which will have the support of the VPN.

### Commentary: VPN Split Produces 'Two Losers'

*AU0205192291 Bratislava NARODNA OBRODA in Slovak 27 Apr 91 p 3*

[Jan Fuele commentary: "Waiting for a (Dignified) Divorce"]

[Text] The duel of the two VPN [Public Against Violence] platforms should definitely end today. The movement that, despite all expectations, won the legislative elections and declared itself to be the guarantee of the democratic development of society, fell apart. Its members, despite their common past, competed among themselves by means that were far from democratic. In addition to the definitive split of the movement itself, they achieved only one thing—they brought Christian Democrats a victory in the legislative elections ten months after their completion....

It is more than likely that long debates between the antagonistic platforms will have a manifest impact on the democratic proceeding of today's assembly [of the Public Against Violence movement—VPN]. The representatives of both platforms agreed that the original name could be used only by the umbrella organization—the VPN Coordinating Committee. Each party (or still movement?) should have five representatives. All those involved will have to contemplate new names. Who will be the first one to dare to use the word, party, in its name? However paradoxical it may sound, the "Galites" [Gal's platform] are closer to doing so. Following the concentrated attacks against them, a group of people was formed with similar opinions regarding the future direction and orientation of Slovakia. At this time, problems will probably arise with the voters and membership. "The Meciar platform" is a much wider collection of people in which the anticommunist supporters of the Trnava initiative are seeking their place together with, for instance, the members of the Revival Club—the communists expelled after the 1970 purge. Presently they have a much greater public support, but it will be difficult for them to agree on a common program.

One thing is certain—both parties or movements should have their financial beginnings secured. The representatives of both platforms agreed that they would not waste their time arguing about the number of deputies in the CSFR Federal Assembly and the Slovak National Council, or about the preferential votes from almost a year ago, and that they will divide the property 1:1. According to the preliminary proposals, it should be taken care of by a joint commission.

On 25 April, following the agitated meeting of the Slovak National Council, the representatives of both platforms agreed, among other things, that they will obey the regulations for a political competition specified by the Constitution and laws. Although this agreement, similar to all the others mentioned earlier, should come into effect only after an approval by the VPN republic assembly, the delegates might attempt to respect it at the meeting. A divorce never is a merry occasion, but it can be dignified. True, that can be done only if neither of the platforms want to, in the end, "roll over" the other one and attempt to gain at least a few populist points. It is futile to play a victor where there are only two losers.

### Matica Chairman on Foundation's Role in Republic

*AU0205131691*

[Editorial Report] Bratislava NARODNA OBRODA in Slovak on 27 April on pages 1 and 2, under the headline "Exemplary Agreement by All Deputies," publishes a 900-word CTK report by A. Melicharkova on the Slovak National Council session on 26 April, which discussed the government bill on Matica Slovenska (Slovak National Heritage Foundation). The discussion began, according to the report, with the deputies speaking about the role the foundation has played in Slovakia and its role in the current political situation. Some deputies objected to Matica's being recognized as a legal entity, Melicharkova writes. For instance, Peter Tirinda, Egyutteles movement deputy, is reported as comparing the foundation to the Communist Party of Czechoslovakia.

A speech by Jozef Markus, chairman of the Matica Slovenska Committee, closed the debate. According to Melicharkova, he spoke of faith, hope, and love that should be transformed into deeds changing Slovakia.

Melicharkova also reports Markus' reaction to Matica's being accused of struggling for power: "'I hope that recent months have shown who is struggling for power,' he said. Matica, according to him, will struggle for power only in the sense that the power in the Slovak Republic should belong to its citizens. At the same time, he pointed out the danger of infatuation by power, which can be prevented by reason and wisdom from above, and control from below." In the voting, Melicharkova reports, 113 were for the bill, 2 against, and 8 abstained.

### Miners Hold Warning Strike To Support Meciar

*AU0305134491 Prague LIDOVE NOVINY in Czech 30 Apr 91 p 2*

[CTK report: "Support for the Former Prime Minister; Miners' Strikes in Slovakia"]

[Excerpts] Handlova— By observing a 10 to 15-minute warning strike, the employees of all enterprises of the

Slovak Coal Mines yesterday expressed their disapproval of the course of action taken in recalling the former prime minister of the Slovak Republic, of the current political developments, of the implementation of the economic reform, and of the Slovak National Council's behind-closed-doors policies. [passage omitted] In the event of noncompliance with the "basic principles of democracy," the working people will resort to additional steps. These will be specified on 30 April at a meeting of the Council of Trade Union Chairmen operating under the Slovak Coal Mines.

### Slovak Chemical TU Opposes General Strike

*LD0205195491 Prague Domestic Service in Slovak 1700 GMT 2 May 91*

[Text] The Slovak Republican Presidium of the Federal Trade Union of Chemistry and Attached Industries does not recommend that its members actively participate in a general strike announced for Monday, 6 May.

The Presidium holds the view that, in the present economic situation, a general strike will have an unfavorable impact on the position of trade unions, especially now when the Public Against Violence-For Democratic Slovakia platform has denied in the mass media that it issued an appeal to hold this strike.

The republican Presidium held a session today at which it noted the trade unions' main task is to defend the social interests of workers against any kind of a government and not to become a tool of pressure used by any political party or government in pushing through their power interests.

### VW Gains 80-Percent Stake in Slovak Car Factory

*AU0205160591 Prague CTK in English 2230 GMT 29 Apr 91*

[Text] Bratislava April 29 (CTK)— The Slovak Government, the German car maker Volkswagen AG, and the Bratislava Auto Works (BAZ) joint-stock company today signed a trade agreement under which BAZ will become the 19th VW plant in the world and the 2nd in Czechoslovakia.

The agreement follows the basic contract signed on March 12.

The signatories were Slovak Economics Minister Jozef Belcak, VW Chairman Carl Hahn, VW board member Dieter Ullsperger, and BAZ General Manager Stefan Chudoba.

The Slovak side will put up 12 million Deutsche marks and VW 48 million, or 20 and 80 percent respectively, of the basic capital. Volkswagen's 140 million DM investments in 1992 and 1993 are to increase its share to 94 percent.

The Bratislava works will produce the VW Passat vehicle. In 1991-92 some 3,000 are to be assembled there from imported components annually. Local production is to begin there in 1993 and is to rise from an initial 30,000 cars a year to 150,000 in 1995. Most of them will be exported.

Some 350,000 gearboxes are to be made in the factory from 1994, about 10 per cent of VW's total requirement. Hahn told journalists that the plant will also continue to make rear axles for the Skoda Favorit, the car made at Skoda Mlada Boleslav in Central Bohemia in which VW gained a stake last month.

Slovak Premier Jan Carnogursky, who attended the signing ceremony, said that the agreement not only is an important step towards the privatization and modernization of industry but will also help create new jobs in Bratislava.

The Slovak Government approved VW as BAZ partner on March 5. One of the reasons VW got the nod was that the strain on the Slovak budget will be 1,300-1,600 million crowns less than it would have been with General Motors, the U.S. car maker which was another major contender for the contract.

BAZ was founded in July 1971. It never manufactured cars. Between 1982 and 1988 it assembled one Skoda model, the two-door Garde.

BAZ currently employs some 4,600 people. This number is set to rise to 6,000.

### Civic Movement Leadership's Briefing Reported

*AU0205160091 Prague CTK in English 1821 GMT 29 Apr 91*

[Text] Prague April 29 (CTK)— "We want to cooperate with all democratic forces," Chairman of the Civic Movement (OH) Council Jiri Dienstbier told journalists here today in connection with Saturday's OH constituent congress.

The OH wants to base itself on the humanistic and democratic legacy of Tomas Garrigue Masaryk (Czechoslovakia's first president in 1918-35), Dienstbier said.

Czech Premier Petr Pithart said the OH will be most effective in the field of legislation, in its approach to issues of self-government, and in pushing through the implementation of the economic reform program.

Czechoslovak Deputy Premier Pavel Rychetsky said the division of the political spectrum into right and left is a relict of the past century. The freedom of the individual is what will count in the future, Rychetsky said.

OH officials indicated that they do not intend to start a new election campaign as that would have a destabilizing effect. Today the coalitions should cooperate in carrying out the platform on which they were elected.

After the Public Against Violence (VPN) divorce, the OH wants to hold talks with all political forces in Slovakia in the interests of maintaining a common state. The OH still considers the VPN its partner, OH officials said.

[Prague MLADA FRONTA DNES in Czech on 30 April on page 1 carries a 300-word "tma"-signed report on the above news conference. According to the report, Pavel Rychetsky "commented on pressures within the legislature to reconstruct the Federal Assembly Presidium and, possibly, even to recall its chairman, Alexander Dubcek." In this context Rychetsky pointed out that "Mr. Dubcek is the second most popular political personality of Slovak nationality in the Slovak Republic. Attempts to replace him could therefore jeopardize the federation. Moreover, he is extremely well known abroad and his replacement would surely raise a number of questions from our partners."]

### ODA 'Willing' To Support Dubcek

*LD0205195291 Bratislava Domestic Service in Slovak 1500 GMT 2 May 91*

[Text] After consultations with its Slovak friends, the Civic Democratic Alliance [ODA] is able to refrain from public protests against Alexander Dubcek and is willing to support him in continuing his post as Federal Assembly chairman, said Daniel Kroupa today at the party's briefing. He also reported that the ODA is considering whether to accept an offer that present Federal Economy Minister Vladimir Dlouhy become a Czech deputy prime minister

## Jeszenszky Discusses Nation's Foreign Policy

*AU0305084091 Budapest MAGYAR HIRLAP in Hungarian 27 Apr 91 pp 1,7*

[Interview with Hungarian Foreign Minister Geza Jeszenszky by Pal Bokor; place and date not given: "A Hungarian-Soviet Agreement To Be Signed Within the First Half of This Year"—first paragraph is MAGYAR HIRLAP introduction]

[Text] In an interview granted to MAGYAR HIRLAP, Geza Jeszensky discussed fundamental issues of Hungarian foreign policy, which reflects the intention to close and move on from the "affairs" that have irritated both Hungarian foreign relations and the Hungary's partners. The minister evaluates Hungarian-U.S. relations as well as Hungarian-Soviet contacts, including the upcoming bilateral agreement that is expected to be signed as early as in the first half of the current year.

[Bokor] Minister! To all intents and purposes, the Zwack affair has been closed. Together with those around you, you showed great self-restraint and succeeded in avoiding unfortunate polemics in relation to this affair, but I do not think that analyses can be avoided. What influence did this incident have on Hungarian-U.S. relations? How will the Foreign Ministry select its new ambassador to Washington, and what tasks does Hungary's diplomacy need to accomplish in relation to the United States, and in relation to the Hungarian community in the United States?

[Jeszenszky] Allow me to begin with the essential issue, namely the situation of our bilateral relations and our tasks. Believe me, I am not exaggerating when I say that Hungarian-U.S. relations have never been as positive as they are today—and that is the opinion of both governments. Hungary's democratic change of regime enabled us to break new ground in our cooperation, and the United States has become our second most important partner—preceded only by the FRG—in our foreign policy and in our foreign trade relations. Our political relations were raised to the highest level by President Bush's visit to Budapest in July 1989, Prime Minister Jozsef Antall's visit to the United States in October 1990, and the talks held by President Arpad Goncz during his unofficial visits to the United States. I regularly meet with Secretary of State James Baker within various international forums, and we use every available opportunity to hold talks. Our specialized ministers meet increasingly often, and there is continuous contact between the political parties and parliaments of our two countries. The U.S. Congress has 535 members, and almost 200 of these (a third of the total) have visited Hungary; in the same way, a high number of Hungarian parliamentary representatives have traveled to the New World. Incidentally, I would like to add that Senator Richard Lugar is just starting his Budapest negotiations today.

[Bokor] That is impressive data, but in today's world, it is money that talks, and there is quite a big difference between the way in which the United States financially assists Poland's restructuring—for example—and the way in which it assists Hungary's transformation.

[Jeszenszky] Now that we have knocked down the ideological and political barriers that used to impede our cooperation, we are also trying to broaden our economic/business contacts, and we are trying to stimulate U.S. capital investments in Hungary. Allow me to give you a few concrete examples: Following President Bush's visit, the U.S. legislature agreed to lengthen the period of our treatment as a most favored nation, it agreed to the use of a general system of customs preferences, and it authorized the guaranteeing of the Overseas Private Investment Company (OPIC). Congress passed a bill aimed at supporting Eastern European democracies (SEED-I), and consequently, Hungary received $96.5 million over a period of three years. The U.S. legislative body has also started debating a new bill aimed at providing further funds (SEED-II), and recently, a bipartite bill was put forward to cease previous discriminatory practices against Hungary. The political significance of this proposal is really worth bearing in mind, together with the positive economic consequences, of course. Similarly, it would be a political and an economic step forward if the United States chose to modify its laws which deal with Hungary as a country "under Communist surveillance" rather than a "market economy country," laws that have become anachronistic, but which are still in force.

We are establishing excellent relations with the 1.7 million Hungarians who live in the United States, most of whom steered clear of our embassies until the change of regime. Through our activities, we hope for broader bilateral relations and for greater support from the Hungarian community to the old homeland. We are pleased when Hungarians succeed as U.S. citizens, but we are worried when they quarrel among themselves. However, I hope that we can help them reduce tensions.

[Bokor] None of the aforementioned aims are furthered by such an early ambassadorial recall....

[Jeszenszky] Naturally, I do not want to avoid that issue. I mentioned these other facts so that you could see that the "Zwack affair" could not have a negative effect on our bilateral relations, which go far beyond such a tiny episode. The ambassador was recalled for professional reasons, not personal ones, but I have not wanted to—and still do not want to—give the press a detailed account of these professional reasons. I have repeatedly stated that I would be happy to give an account of the incident within an appropriate forum like Parliament's Foreign Affairs Committee. I am not mistrustful of the press, but—as you said—we are trying to avoid unnecessary polemics. Naturally, this incident really is unpleasant, but we had to take that step. The Americans see the Zwack affair as an internal affair for Hungary's diplomatic corps, and given that the Americans were familiar with the ex-ambassador's activities, they understood our decision. The Americans have stressed that

they are already concentrating on the welcoming of Hungary's new ambassador.

I know that everybody is curious, but unfortunately, I cannot give any information on Peter Zwack's successor. However, given that the Foreign Ministry has learned its lesson from this incident, I can promise you that we will be more prudent next time.

[Bokor] In view of the press reports and the economic results, Hungarian-Soviet relations are not free of problems. As far as I know, the bilateral agreement aiming to settle these relations has not yet been prepared, the timing of our prime minister's visit to Moscow is uncertain, and our political relations seem to be constrained. What do these important relations look like from the viewpoint of the Hungarian Government?

[Jeszenszky] For decades, Hungarian television viewers, radio listeners, and newspaper readers saw, heard, and read that our relations with the Soviet Union were harmonious and free of problems, and that our friendship was honest, steady, and would last forever. The official propaganda saw to it that nothing should change this image. The officials kept silent about all news that, according to the prevailing ideas, could have presented Hungarian-Soviet relations or the Soviet Union itself in an unfavorable light. A journalist's bravura was often needed for the readers to be able to learn about the real problems and differences of views at least between the lines.

This idyllic picture is over now, and we must find it natural that, in the wake of the democratic changes that are taking place in Hungary, the aforementioned subject is no longer a taboo for the press. Thus, it is not surprising that journalists are now trying to discover and present the hidden problems of the past, just like the present differences of views. There is a tendency today to think that the radical changes in Hungary have had a negative influence on Hungarian-Soviet relations.

Let us see what this change in our regime has brought in this area: We got rid of the unilateral dependence, of a friendship based on ideology, of helplessness in the area of military security, and of centrally-directed economic relations that paid no heed at all to the market conditions. What are the "negative" consequences then? The restoration of Hungary's sovereignty, the remodeling of interstate relations, the creation of partnership relations according to European norms, and the consideration of market laws in our economic cooperation.

[Bokor] Nevertheless, from the outside, it seems that this transformation was accompanied by a severe loosening of bilateral political, and mainly economic understanding and cooperation.

[Jeszenszky] It is possible that the Hungarian diplomatic initiatives and efforts were less spectacular for the public at large, efforts aimed at creating relations with the neighboring big power that are in harmony both with our historical traditions and the current realities in Europe, including the preservation of all the positive elements of our bilateral relations. Immediately following the creation of a new government, Prime Minister Jozsef Antall expressed Hungary's intention to remodel Hungarian-Soviet relations in accordance with European requirements. In the period of almost one year that has passed since then, government members, parliamentary delegations, and experts in various areas have met and held negotiations. We have continuous contacts. Agreements have been made, or are being prepared, which led to basic changes in our economic and trade relations. At the end of 1990, we could start working out a bilateral agreement that will take into consideration the new tasks deriving from both sides' legitimate security needs and economic relations. I must point out that the important thing for us is to come up with a good agreement rather than to hasten the signing of this agreement. Although we are facing a long and untrodden road leading to the creation of partnership relations to replace the former "mutual assistance," we hope to be able to sign this new agreement within the first half of the current year. I hope that the Soviet deputy foreign minister, who is expected in Budapest soon, shares this opinion.

As is well known, one of the basic points of this basic agreement will deal with our security partnership, the so-called negative security guarantees. As the host of the latest meeting of the Warsaw Pact's Political Consultative Committee, Hungary played an important role in disbanding the Warsaw Pact's military organization, at the same time paying due regard to the sensitivity of the participants. Similarly, we are striving to carry out the withdrawal of Soviet troops from Hungary while preserving the dignity of those involved in the process. We are taking into consideration the security interests of the Soviet side as we are developing our relations with the Western European Union and NATO. In view of the aforementioned facts, and proposing compromise solutions concerning the still open questions of the basic agreement, we think that there are possibilities of formulating the fundamental principles of military security relations that respect sovereignty of the two sides.

A national consensus regarding the content and direction of its foreign policy is essential for a country's foreign policy activity. The visit by a Hungarian parliamentary delegation in the Soviet Union was such an example. My optimism concerning the imminent signing of the aforementioned bilateral agreement is also based on the results of this visit.

[Bokor] Does the Hungarian Government have any idea how to deal with the Soviet republics that are becoming independent?

[Jeszenszky] Developing contacts with the Soviet republics is a requirement of the times, Hungary's interest, and also a task that requires increased care.

We have continuous and developing relations with the Russian Federation and the representatives of the Baltic states. Hungarian President Arpad Goncz already visited Kiev, the capital of the Ukraine. A Hungarian-Ukrainian

joint declaration on the rights of national minorities is ready to be signed; this is an unprecedented document in Eastern-Central Europe. The approach of these republics to Europe, the assertion of the norms of European constitutional statehood, and helping to achieve all this is a Hungarian interest too! In this respect too, the Hungarian Government respects the generally accepted principles of interstate relations, including the right of nations for self-determination. We take a stand against all efforts that contradict the human rights and the basic right to freedom. Stability should be created by means of genuine talks and by taking into consideration the legitimate rights of the various nations living in the Soviet Union.

[Bokor] The recent visit of the Croatian and Slovak prime ministers in Hungary shows that Hungarian diplomacy is maneuvering successfully among the political and national minority conditions of the neighboring countries, conditions that are particularly sensitive for us, and the Hungarian diplomacy is striving to avoid any conflict situations. However, the results are not sufficient, particularly not as regards Romania. What is your opinion about our relations with the smaller neighboring countries?

[Jeszenszky] Democratic changes are taking place in our area. It seems that these changes are inevitably accompanied by the fact that the peoples and national minorities of the former so-called federated states are trying to place their constitutional order on new foundations. The Hungarian Republic is starting from the generally accepted principles and norms of interstate relations and the fact of neighborhood, and it would like to have mutually advantageous and lasting good relations with all its neighbors. There are countries where this is easy to achieve or preserve in the wake of the recently freed relations; there are countries where overcoming the prejudices inherited from the past is more difficult.

At the beginning of February this year, the Hungarian Foreign Ministry issued a statement in connection with Yugoslavia. In this statement, we stressed our high appreciation for the results we have achieved in our cooperation so far, as well as our sincere desire to further develop this cooperation. The Yugoslav Federal Government is our partner, but we are also interested in developing our cooperation with the member republics. Croatian President Franjo Tudjman visited Hungary on 19 April 1991. His visit was an integral part of our cooperation with the federal and republic government organs; the same applies to the meeting of the two countries' prime ministers last year and to the visit of the Slovene president and Serbian foreign minister. I must point out that I visited Belgrade last summer, and I also visited Vojvodina and Zagreb.

Cooperation developing in the Pentagonale is promoting the development of our relations. We are planning to jointly build the Budapest-Triest highway and to modernize the railway system, and it is possible that, in the course of developing our transport agreement, we will make greater use of the port facilities in Rijeka. Yugoslavia is ready to guarantee free port status for Hungary in Rijeka. Last, but not least, I will mention here the possibility of setting up mixed enterprises to make use of the Adria Oil Pipeline, as well as a more active tourism.

Our relations with the CSFR are being renewed at a good pace, but a few unsolved problems are still burdening these relations, like the Bos-Nagymaros river barrage issue and the issue of "Hungarians in Slovakia and Slovaks in Hungary." I did not mention these two issues together because I regard them as reciprocal issues. At the same time, everyone should remember that we have created orderly conditions in many other areas: free border passages and the formulation and assertion of our joint security interests. We are always good partners in international forums because we regard the issues awaiting solutions as our "internal affair." This applies to our relations with the federal, the Czech, and the Slovak government alike. We welcome the fact that the CSFR has become a member of the Council of Europe because its efforts toward European integration greatly contribute to our dialogue. Our order of values and political language have become similar.

[Bokor] Understandably, you are mostly stressing the positive elements. Do you not think that the overall picture is more contradictory than that?

[Jeszenszky] Obviously, you mean the Hungarian-Romanian relations. When the people evaluate the efficiency of our policy in this area, they should not forget the situation in Romania and our partners' attitude, which have a considerable and sometimes determining effect on our bilateral relations. I regard the following as the standard of the Hungarian policy: Do we recognize and make use of the opportunities in asserting the Hungarian interests related to the development of our bilateral relations?

Our efforts directed at good neighborly relations and correct and manifold cooperation also determine our activity in this area. All our steps following the fall of the Ceausescu-regime served this goal. The Hungarian side has done a lot so far to settle the Hungarian-Romanian relations and to improve contacts in all areas, and we will naturally make use of every opportunity to promote the strengthening of mutual confidence. I hope that it is also clear that our joint efforts have also achieved results in recent months. We do not underestimate the importance of these results, but they cannot make us forget that we have not experienced enough readiness for negotiations and cooperation on essential issues. For example, we cannot regard the Romanian acceptance of the recently signed agreement on educational cooperation as clearly positive. Of course, at the same time, we are carefully studying the way our previous agreements are being implemented.

One thing definitely needs to be taken into consideration: As we settle our bilateral relations, we cannot

forget about the fate and problems of the Hungarian national minority in Romania. Not only do we find it natural, we actually want the Romanian side to forge close links with the Romanian national minority in Hungary. If Hungarians in Romania feel that their existence is threatened, either at present or in the future, and if tolerance toward national minorities fails to develop, then both the Hungarian Government and the Romanian Government will have to face up to the consequences. As we see it, the broadening consensus in Europe is that stability is a prerequisite and a motor for the solving of national and ethnic minority problems. I feel that it is a historical anachronism to try and prove the opposite, and I think that it is particularly dangerous if such attempts turn into motivating factors behind political decisions.

It is a well-known fact that we have already presented the Romanian side with several proposals concerning bilateral cooperation on national minority issues, so our Romanian partners are fully aware of the Hungarian Government's intentions. In my letter to Romanian Foreign Minister Nastase I suggested expert negotiations. However, we cannot agree with an approach that starts by excluding certain issues from the sphere of negotiations and cooperation based on mutual interests. For example, I am thinking of the setting up of institutions like the ones that functioned perfectly well for years after World War II, and whose closure is linked to the Ceausescu era. It is the declared intention of the current Romanian Government to settle these issues. An improvement in the situation of national minorities living in Romania would be a clear indication that this intention is a serious one.

[Bokor] Perhaps the press is jumping to conclusions too quickly when it bases itself on incidents like the Zwack affair and the Croatian arms sales—incidents that are not really that significant—and draws conclusions about the Antall government's foreign policy. Nevertheless, in relation to the Gulf crisis I had the impression that very often, old habits took the place of new concepts, and that there is great uncertainty in the Foreign Ministry and in the government concerning important international issues. That is why I would like to ask you quite directly: Does Hungary's foreign policy have any clearly determined priorities, and if so, what are they?

[Jeszenszky] Upon taking office, the government clearly defined its foreign policy concepts and its ensuing aims and priorities. Therefore, I do not think that either the government or the Foreign Ministry are uncertain about Hungary's new foreign policy concept or about our most important aims. The problems and difficulties that appear in everyday politics as we conduct our foreign policy—problems that do not affect the essence of our policy—can absolutely not be attributed to the lack of a foreign policy concept or strategy.

I could briefly summarize the essence of the concept that determines Hungary's major foreign policy activities in the following way: The Hungarian Republic is conducting an independent foreign policy based on the primacy of national interests, and the main aim of our policy is to safeguard the country's sovereignty and to promote the broad democratic transformation that goes hand in hand with our change of regime.

However, speaking of our foreign policy priorities, I would like to add a short explanation to some of these concepts. We are simultaneously talking about sovereignty and independence on the one hand, and European integration on the other. Given that the two seem to be diametrically opposed, I have to explain that in the Europe of today, most heads of state are troubled by this major dilemma: To what extent should a country retain its sovereignty in the area of politics, economics, and security, and to what extent should it sacrifice this sovereignty for the sake of pan-European integration? What "price" should it pay?! Even on the basis of this political "cost-efficiency analysis," we bravely state that it would be very important for our country to participate in international cooperation as soon as possible—a cooperation based on common European and Atlantic interests and values—and to join the process of European integration. That is why we are broadening and enthusiastically developing our relations with the countries of Western Europe, the United States, and Canada. As far as our place in a united Europe is concerned, we think that our developing relations with the European Communities—our future status as an associate member, and then as a full member—are of key importance.

As I said in answer to an earlier question, Hungary's change of regime and the historic changes that have taken place in other Central and eastern European countries have created the right conditions for new relations and good-neighborly links with our surrounding countries, relations based on a new foundation. That is why we are trying to renew bilateral and multilateral cooperation schemes with these countries, and we are looking for ways to solve existing problems in our bilateral relations, including the situation of Hungarian national minority groups abroad.

In our changing system of international relations, we give adequate attention to regions outside Europe, giving priority to leading economic powers like Japan and the Republic of Korea, with whom we are developing closer cooperation. That also applies to countries like the People's Republic of China, India, and Iran, countries that play a very important role on the international scene. In practice, our relations with all the Arab states are settled. We made sure that we were present as an effective force in the Gulf region and in the Middle East, and we hope to broaden our cooperation with the countries of Africa and Latin America.

Hungary's foreign policy puts emphasis on security policy issues and it plays an active part in the elaboration of new kinds of guarantees to safeguard the security and sovereignty of our country in accordance with changed international circumstances.

[Bokor] To what extent can Hungary's foreign policy be considered as a government policy, and to what extent is it a national policy?

[Jeszenszky] From the point of view of maintaining Hungary's favorable image abroad and ensuring our capacity to act on the international scene, I see it as significant that there is a consensus among our political parties and tendencies concerning the essence of our foreign policy. The Foreign Ministry and I will try to make sure that this consensus is maintained—indeed, it serves the interests of our country—and that the national traits of our foreign policy are strengthened, if possible.

## Positions 'Drawing Closer' in Ongoing EC Talks

*LD0205213591 Budapest MTI in English 1959 GMT 2 May 91*

[Text] Budapest, May 2 (MTI)—'The positions in the ongoing talks between Hungary and the Common Market are steadily drawing closer. The aim of the talks is for Hungary to conclude an associate contract with the European integration,' said Endre Juhasz, head of department of the Ministry for International Economic Relations, at his press conference in Budapest on Thursday.

There has been agreement on several issues, and the Council of Ministers of the European Communities has accepted the Hungarian demand for the associate contract to write in that Hungary's long-term goal is to gain full membership of the Communities.

It seems that there has been endorsement of the Hungarian position on dismantling tariffs for the majority of industrial products, and on eliminating quantitative restrictions. Accordingly, the Common Market duties will be totally phased out over five years, in several groups.

The Hungarian side has already presented a number of theme proposals for the next round of talks, scheduled to be held at the end of May. Perhaps the most important of these refers to the movement of workers. It appears that there is still great resistance to this proposal, with the partners mainly protesting against the numbers involved. Germany is currently ready to employ 11,000 Hungarian workers, and the Hungarian side is not asking other countries to take on more than this number, Juhasz said.

## Kupa on World Bank, IMF Assistance

*LD0205192491 Budapest MTI in English 1408 GMT 2 May 91*

[Text] Budapest, May 2, 1991 (MTI-ECONEWS)—Hungary is to get a loan of 500-600 million USD from the World Bank and about 1 billion USD from the IMF, Hungarian Finance Minister Mihaly Kupa told a news conference in Budapest today.

Kupa has just arrived home from Washington, Where he took part in the meeting of the IMF interim committee and held talks with senior IMF and world bank officials.

Several World Bank loan programmes for Hungary are in a preparatory phase, Kupa said.

The second, 250-million-USD SAL is soon to be finalized, and the preparation of a privatization loan programme is also under way.

The amount of this loan is expected to reach 150 million USD, and will support the privatization process.

No details have been disclosed.

"Our partners urged the Hungarian government to encourage (Hungarian) commercial banks to join in international financial activities as soon as possible" Kupa said.

On this score, settling the dubious outlays of several Hungarian commercial banks is the main problem to be solved.

Mr Kupa hinted that the central budget is to "make certain sacrifices" in overcoming these difficulties, but did not go into detail.

However, these "sacrifices," as he put it, will not affect this year's budget.

Kupa did say, though, that the government will probably help commercial banks by providing them with some kind of guarantee.

## Kupa Foresees Financial Bridgehead for Investors

*LD0205180191 Budapest Domestic Service in Hungarian 1600 GMT 2 May 91*

[Interview with Finance Minister Mihaly Kupa by Peter Zentai in Budapest on 2 May—recorded]

[Text] [Announcer] This year the World Bank will provide about 600 million dollar loans for Hungary said Mihaly Kupa, after he returned from the United States. According to the finance minister, Hungary could become a financial bridgehead for Western investors. The country could be in a particularly favorable position if U.S. interest rates are indeed reduced. At the same time, as Mihaly Kupa said, neither the United States nor the IMF experts are concerned that the Compensation Bill passed here will lead to an increase in inflation.

[Zentai] When it is a question of more effective ways of getting into the world market, it is of course also a function of how the internal economic situation in these countries is developing. The United States wants West Europe and Japan to reduce interest rates and assist the recovery in this way. Now the signs are that this will not happen. This is a disadvantage for us because if interest rates are high there it does not help the recovery or the fight against inflation. These trends are presumably not good for us, or are they?

[Kupa] There are not enough savings and uncommitted financial resources to finance restructuring the Near East, East Europe, and the U.S. budget deficit, because now the Germans, Italians, and Australians also have budget deficits. However I think in the medium term, which in this case means six months, interest rates will still fall, because if there is no economic revival than there is no surplus capital, and these problems cannot be financed.

[Zentai] During your discussions when these large subjects concerning the world economy were raised, did these questions also crop up? Or when your negotiating partners raised a law such as the Compensation Law in Hungary did they ask how far this would help in reducing Hungarian debts indirectly, or to what extent this would help the fight against inflation?

[Kupa] Interestingly, they thought the Compensation Law was okay. Now property relations are settled, and it is possible to know who the owners are. They were less interested in the inflationary impact. They said that now that property relations are settled there can be no reprivatization in Hungary.

[Zentai] Are you worried about the increase in inflation as a result of this law?

[Kupa] I am the type who will try to find the method, how and with what means these inflationary impacts can be moderated. Hungary now has a strategic opportunity. This means that here in East Europe we can be a bridgehead for developed countries and developed financial markets and it is for these that the appropriate means must be found.

### Defense Minister Cables Romanian Counterpart

*LD0205200291 Budapest MTI in English 1612 GMT 2 May 91*

[Text] Budapest, May 2 (MTI)—Hungarian Minister of Defence Lajos Fur cabled his good wishes to Victor Stanculescu, on the occasion of his appointment as minister of industry of Romania.

In the telegram, Fur thanked the former Romanian minister of defence for his personal effort and readiness for co-operation shown in intensifying the military relations between the two countries. Fur also expressed the hope that further, successful progress could be made along this road. He also hoped that the opportunities which the two ministers had tried to explore in the course of their official and personal meetings, aimed at making relations between Hungary and Romania, and the armies of the two countries, more meaningful and diverse, would be capable of realisation.

On behalf of the Ministry of Defence of the Republic of Hungary, and the leadership of the Hungarian Army, Fur also cabled his good wishes to Brigadier General Nicolae Constantin Spirou, on the occasion of his appointment as minister of national defence of romania. Fur assured the Romanian Minister that he is ready to continue co-operation in the same vein.

### Economic Chamber 'Misgivings' on Government Plan

*LD0205220191 Budapest Domestic Service in Hungarian 1600 GMT 2 May 91*

[Excerpts] The Economic Chamber has great misgivings regarding the government's reform concepts on the budget and on public expenditure. The Federation of Young Democrats [FIDESz] remarked at the session of the relevant parliamentary committee that this is no wonder, as in their opinion there is no economic- political coordination whatsoever within the government. Eva Soos reports;

[Soos] The government's four-year economic-political program, despite statements to the contrary, does not deal either with the high profit tax, with a reduction of social security contributions, or with reducing the tax rate of private income tax. It does not contain any concept for the development of a tax system that would encourage savings and investment—this sentence is taken from the study made by the Hungarian Economic Chamber on the government's concept for public expenditure and the budget. It was said at the joint session of the chamber's executive presidium and the National Assembly Budget Committee that nothing has happened to reduce state overheads. [passage omitted]

Price measures meant to increase budget revenues are especially inflationary. For example, taking into consideration the present world price level for fuel, a fuel price 20 to 25 percent lower than the present one would be justified.

Members of the Budget Committee tried in their replies to explain away all of this. According to a Hungarian Democratic Forum deputy, the mentioned fuel prices are not at all high; on the contrary, they should be increased. Another member of the committee, referring to the fact that because of the lack of vital laws, good management of the economy is impossible, defended himself by saying that the National Assembly can only debate a bill that is submitted by the government. A deputy from FIDESZ added that no economic-political coordination takes place in the parliament at all. Thus even the Kupa program can be considered as a result.

Real debate cannot evolve at these consultations, because as members of the Budget Committee have acknowledged themselves, they possess less information than representatives of the chamber.

### Bills on Bankruptcy, Budgetary Guarantees

*LD0205202391 Budapest MTI in English 1824 GMT 2 May 91*

[Text] Budapest, May 2 (MTI)—"The bill on bankruptcy proceedings, closures and final settlements was approved by the government and will be put to parliament,"

government spokesman Balazs Laszlo said, concerning the decision passed at the session of the Hungarian government on Thursday.

On the one hand, the bill replaces the 1986 legal proclamation regulating the liquidation procedure, and on the other hand, it introduces the new institution of bankruptcy proceedings. On coming into force, the law may select the economic units still able to recover their solvency, whilst also making it possible for pressing closures to take place more speedily, according to improved rules for protecting the interests of creditors.

The spokesman also said the government approved a law amendment proposal on issues related to the budgetary acceptance of guarantees, and will be submitting this to parliament. The aim of the amendment is for the government to be able to accept guarantees to a greater extent than it has been able to do so far, in its right and to the debit of the budget, in commercial transactions and investments involving major amounts, with the exception of purchases of oil, natural gas, coal and electricity. At present, the upper limit of accepting guarantees is for 0.5 per cent of the budget's expenditure, and the government wishes to raise this to three per cent. Guarantee demands over the three per cent limit will be discussed by parliament, on the basis of individual reports.

The government passed a decree on cushioning the losses of agricultural workers stemming from last year's drought. A total of 1,330 million forints are to be earmarked to this end.

## Smallholders Opt for Strengthening Coalition

*LD0205210191 Budapest Domestic Service in Hungarian 1600 GMT 2 May 91*

[Summary] The Independent Smallholders' Party [FKGP] is striving for a strengthening of the government coalition, and wants long-term cooperation with the Democratic Forum [MDF] and the Christian Democrats. Agnes Papp reports from today's FKGP press briefing.

[Papp] There is need to continuously operate coalition coordinating forums so that the change in the system can be fully carried out. In this process the FKGP has an important role, said Sandor Olah, general secretary. On the basis of the resolution of the party's national board session, party alliance has to be strengthened with the MDF and the Christian Democratic Party.

Regarding the events that took place after the closing of the session, he said that at the joint session of the parliamentary group and the presidium they decided that an investigation into every detail should be carried out to clarify the legitimacy of each official as well as the entire activity of the party, before the membership as well as public opinion. The statement, issued with the signatures of 25 deputies and two members of the presidium, declares: Until the investigation has been completed and the report submitted to the Metropolitan Court, and the representation of the party has been assented to, only Ferenc Jozsef Nagy, party chairman, can exercise the rights of chairman, especially as the party's present constitution does not provide for the legal position of cochairman.

The FKGP leader considered the six-party talks to be of extraordinary importance. He evaluated the first discussion as successful. However, he expressed the hope that the Free Democrats would change their position and instead of political tactics, considering the country's interest, would join the talks after all, and would formulate their standpoint in writing.

## Agricultural Alliance on Policy Conflict

*LD0205120491 Budapest Domestic Service in Hungarian 1100 GMT 2 May 91*

[Text] According to the Agricultural Alliance the Compensation Law will consolidate state property but will render uncertain the situation of the agricultural sector for the next 18-24 months, Secretary General Tibor H. Nagy told journalists.

He stressed that the law interferes substantially in agricultural property relations without the government having a clear and acceptable agricultural program. It is trying to remedy earlier injuries mostly at the expense of cooperative and self-government properties and not at the expense of state property.

The agricultural policy plans of the Ministry of Agriculture are in direct conflict with the compensation Law, so the Agricultural Alliance recommends reconvening the national agricultural roundtable.

## Cooperative Distributes Land to Former Owners

*LD0205121591 Budapest Domestic Service in Hungarian 1100 GMT 2 May 91*

[Text] In Kallosemjen leaders of the New Life cooperative have distributed some 100 hectares of land to 85 former owners. Cooperative chairman Janos Meszaros said the spring works are urgent, which is why they did not wait for the Compensation Bill to become law.

They assessed the claims, and with the help of a committee they marked out and raffled the plots. It was decided that for this year the farmers can use the land for free, but by the end of the year they must settle the ownership position of their former land in accordance with the Compensation Law.

### Walesa Sends Letter to Sejm on Amendments

*LD0205205991 Warsaw Domestic Service in Polish 1800 GMT 2 May 91*

[Text] The president's press office has made public the fact that President Lech Walesa has sent a letter to the Sejm speaker with the following content:

I am pleased to inform you that this day, prompted by reasons of state, not wishing to delay any further the legislative procedures on the Sejm electoral law, I have signed the law of 19 April 1991 on changes to the Constitution of the Polish Republic.

I believe however, and wish to express this openly, that the provisions of Article 96 of the Constitution, which limit suffrage, are unfortunate. In view of this, I wish to point out that I shall in the future take advantage of the constitutional right to file an initiative in this matter.

### Bielecki Favors Planned Economic Advisory Meeting

*LD0205123591 Warsaw Domestic Service in Polish 0903 GMT 2 May 91*

[Text] An economic advisory meeting is to be held in the Belweder Palace 6-7 May. President Lech Walesa, in a television interview, confirmed it would defintely take place, although its starting date might be slightly deferred. Prime Minister Jan Krzysztof Bielecki, the head of the government, yesterday evening said:

[Begin Bielecki recording] Our representative is trying to reconcile certain program and organizational assumptions, which would mean that the meeting will be an important stimulus for the development of Polish economic thought. I think that a discussion by economists about the ways of restructuring this state is a thoroughly purposeful thing, particularly since there are various concepts, with some [word indistinct] a return to socialism and to central planning, others to a decisive move into a free economy, the third concept is admittedly a mixed one, and finally, various instruments are suggested by various economists. Theoretically, the only thing that is important is that it serves Poland, that it results in an enrichment of economic knowledge on the subject of the period of transformation. Members of the government, if they take part, will first and foremost be those who consider themselves to be economists or deal with economic matters. [end recording]

### Sejm Amends Tax Law; Debates Ecological Issues

*LD0205214191 Warsaw PAP in English 2057 GMT 2 May 91*

[Text] Warsaw, May 2—At its meeting here today, the Sejm amended the law on the income-equalizing tax which is to exempt from taxation the salaries received by medical staff for extra employment in emergency service or hospital duties.

The chamber sent the government draft law on payments for medicines and sanitary products to Sejm committees for further discussion.

Also, the lower house of Polish Parliament started today the debate on ecological matters. Discussion on the issue is to continue at the Sejm's next meeting as only 10 deputies out of the 34 who signed in took the floor.

Majority of the MPs pointed out that environmental protection should not only be the concern of one ministry but of the whole government and that although the outline of the government ecological policy satisfies social expectations, a more precise definition of cooperation between the ministries is required.

A number of Sejm committees met also here today. The most significant was the one of agriculture and food economy whose members threatened to come out with a no-confidence vote for the government if the Cabinet fails to introduce measures to protect Polish agricultural market against unfair competition and excessive imports of subsidized food products. Such measures had been promised in the Sejm expose of Premier Bielecki.

The next Sejm meeting is scheduled for May 9 and 10. It is to hear a report of the constitutional committee on draft electoral laws to the Sejm.

### Sejm Commission Head Attacks Farming Policy

*AU0105162591 Warsaw TRYBUNA in Polish 25 Apr 91 p 2*

[Interview with Jacek Soska, chairman of the Sejm Commission on Agriculture and Food Economy, by Halina Dowda; place and date not given: "We Are Fighting for the Consumer and the Farmer"]

[Text] [Dowda] It is significant that the prime minister decided to talk to the commission.

[Soska] This is the second time such a meeting has taken place. The first was with Prime Minister Mazowiecki, but that was more political in nature. He wanted to secure the acceptance of his nominee for the agriculture post. Our meeting with Prime Minister Bielecki was strictly on economic issues.

[Dowda] It was not much of a discussion; it was more a disjointed meeting, and I understand that the deputies were unhappy with the outcome. Perhaps more was achieved in the closed session?

[Soska] I admit I was disappointed with both sessions, although the deputies only had one day in which to hold discussions with government officials. Nevertheless, the prime minister did not say anything new, except on the controversial issue of import duties.

[Dowda] The Sejm Agriculture Commission has accused the government of not implementing the points made in the prime minister's inaugural speech.

[Soska] Nothing is being done to stop unfair competition. The prime minister has not kept his word. That was the main reason for the proposed vote of no confidence in the government.

[Dowda] Are you still threatening to do this?

[Soska] Deputy Domanski has not withdrawn it. A group of deputies is to start discussions with government officials. In 14 days we shall again meet with the prime minister, and until then we have decided to postpone the vote.

[Dowda] Is this a form of blackmail?

[Soska] Not at all. There was another proposal made at the same time, a proposal to dissolve the Sejm Agriculture Commission. It is not the first such proposal. Deputy Kaszubski declared that as the commission has absolutely no influence on the government's policies, it should disband itself.

[Dowda] This is highly theatrical. What good will it do the agricultural sector?

[Soska] It is no fun being a Sejm deputy and a farmer. Farmers are asking us what we are doing in Parliament. Am I to tell them that the Sejm Agriculture Commission, one of the highest bodies of authority, is powerless, and that our views are ignored by the government? Even the most determined person would become disillusioned.

[Dowda] The farmers are a tough bunch.

[Soska] This commission is their highest body of appeal. First, the trade unions presented proposals, then we had the farmers' protests—butter was freely handed out—strikes, and road blocks. How far does one have to go to get farming on the political agenda?

[Dowda] New customs duties that were debated six months ago are now being introduced.

[Soska] The government rushed them through when it came under pressure from the Sejm. The duties, however, will not help by themselves. They are only one of a number of elements that can be used to protect the farming sector. The commission wants to see the introduction of a definite customs policy. Other countries have other payments besides duties, and they have introduced import quotes. There are many available options, as can be seen in our export sector. This commission would like to see equalization payments. The prime minister, however, says that the system would be too complicated.

[Dowda] But raising tariff duties by 100 percent is incredible.

[Soska] I hope that you are not implying that by doing this we would like to shift the burden onto the consumer. When one talks of consumers, one tends to conveniently forget that farmers are also consumers. Every time farmers mention prices, the government states that it has to defend the consumer. Nobody seems interested in defending consumers' interests against the middlemen, only against the farmers. The truth is that both the farmers and the consumers are being deceived. The latest example is that in the last few weeks the price of pigs has fallen by 25-30 percent. Has there been a proportional fall in the price of pork in the shops? Absolutely none. In Poland, the ratio between the price of agricultural produce (price paid to farmers) and the retail price of food (price paid by the consumers) is 1:7. In other words, the farmer gets one zloty for every seven that the consumer pays. In Western Europe, this ratio is 1:3. My question is: Who is getting rich on the backs of the farmer and the consumers?

[Dowda] But that is how a middle class comes into being.

[Soska] And how large fortunes are made through crooked deals.

[Dowda] You were one of the deputies who warned that there was a loophole in the import of alcohol regulations.

[Soska] I forget the number of times I warned against the danger that the country would be flooded by imported alcohol. The Sejm Agricultural Commission was ridiculed, countermeasures were not put in place, and today we all know what happened. There are other import scandals. I concentrated on the alcohol scandal, but we have another 458 Sejm deputies, and I feel that each one could quite easily find an import scandal.

[Dowda] Importing seems to be a paying proposition these days, even without scandals.

[Soska] Foreign goods are now in every shop. One could argue whether they constitute 25 or 30 percent of total goods available. I simply cannot believe that imported goods are still an insignificant percentage of the total, as Deputy Minister Budzinski would have us believe. We have all heard of the so-called "transit" goods that in fact never leave Poland. There have also been cases of trucks not being checked on the border or at internal customs posts. The alcohol scandal showed how ruthlessly a loophole can be exploited, and there are many such loopholes in our food import regulations, including the nonexistent public health inspections at the border crossings.

[Dowda] All our services, namely, the customs, health, and tax services, are simply not geared for this.

[Soska] Then they have to adjust to protect the consumer. In the meantime, the farmers are bearing the brunt of all the criticisms. It is not food price rises that are the problem. Food is already expensive, and further increases will mean that nobody will be able to afford to eat. The worst thing is that everyone thinks that the problem will go away by itself.

[Dowda] But there is now some movement in this sphere. The prime minister has announced there will be changes, even personnel changes, and he has spoken with the head of the customs service.

[Soska] We can wait. We have given him until the next round of talks. We are also disappointed that the government has still not been able to reach an agreement with the Soviet Union. For political reasons, the former government brought economic relations with the USSR to a standstill. I am not defending socialism, but I know that the Soviet market is essential to our farmers and manufacturers. At the beginning of April 1991, we hosted a visit of people's deputies from the Soviet Union and other republics. This was the first formal contact between parliamentary groups consisting of farmers. The Soviet deputies confirmed their interest in Polish agricultural produce. Settlement of payments is a matter for the governments to sort out. We must remember, however, that multinational food processing conglomerates are also competing for the Soviet market, and they can offer better terms than we can.

[Dowda] One hears more and more often that Europe is becoming a region of structural food surpluses.

[Soska] Not the Soviet Union, though. By importing food we will ruin our agriculture and import unemployment. What we import is not produced by our farmers. Has the government acquainted itself with the opinion of World Bank experts who say how beneficial it is to have 38 percent of the population living in the agricultural communities when there is an economic crisis? A group of experts is recommending that the agricultural community should absorb another 10 percent of unemployed from the cities. I would like to ask Balcerowicz, Tanski, and the whole government how they intend to absorb these unemployed, given their present agricultural policy? Their present policy will have the opposite effect, and soon we will have 11-20 percent of farmers looking for work. What hope is there for our farmers after we join the EEC? We will be lucky if 10 percent of our farmers are able to compete. What is to happen to the other 90 percent of the farming community? Our entry into the EEC is to be gradual, but we are constantly trying to speed up the process. The government is counting on financial assistance, but I was not able to get any answer as to the conditions attached to this financial assistance. We are trying to adapt our economy, but we still do not know on what conditions this is to be, nor do we know what sort of interest will be payable on this finance. Anyway, what use is finance to the farmer when there is too much food around? You cannot expect any modernization of agriculture when there is overproduction, and one cannot sell one's products.

We are making a great error by doing what Western financial circles want us to do. In my opinion, we should not join the EEC at all, and certainly not before the year 2000. Formerly, we were dependent on the USSR, now we will be dependent on the West. If the West intends to help us, then it is obvious that it will do so on its own terms. Is this the sort of economic sovereignty we want?

[Dowda] The prime minister has left your commission with a dilemma; namely, to export food, or not to export food and remain reliant on the internal market.

[Soska] My answer to this loaded question is that we must defend the consumer and the farmer. We must defend our agriculture in the same way that the EEC countries are defending theirs. We do not want to provoke any retaliatory measures, but we want to be treated on equal terms like a partner.

## Skubiszewski: Ethnic Minorities Must Be Loyal

*AU0305102691 Vienna DIE PRESSE in German 3 May 91 p 6*

[Interview with Foreign Minister Krzysztof Skubiszewski by Klaus Bachmann in Warsaw; date not given: "Ethnic Minorities Must Also Be Loyal"]

[Text] [Bachmann] Mr. Minister, what role do you see for the German refugees' and expellees' associations in the Polish-German dialogue?

[Skubiszewski] The refugees' and expellees' associations should try to play a positive role in the Polish-German dialogue. The expellees association should change its attitude toward Poland. One will not achieve positive results by calling the existing Polish-German border into question or by launching strange actions that lead to an exacerbation of the situation in Silesia.

[Bachmann] Does the Polish Government plan to stop the activities by the refugees' and expellees' associations among the German minority in Silesia?

[Skubiszewski] The Germans who were forced in the past to leave their homes can contribute to Polish-German understanding. Today we are mainly dealing with the second generation. This generation has been born somewhere else, like the sons and daughters of the Poles who settled in the formerly German area immediately after the war. Poland is a democratic state today, based on the rule of law. However, we demand that others respect Polish law as well.

[Bachmann] Why does Poland refuse to acknowledge dual citizenship? Does the fact that 500,000 Silesians have a German and Polish passport not mean a de facto recognition of dual citizenship?

[Skubiszewski] Dual citizenship, its admission, toleration, or acceptance, and the protection of minorities—these are two different things. According to general international practice, a member of an ethnic minority is somebody who has the citizenship of a country but who differs from the other citizens in his origin, language, culture, and tradition. If somebody wants to be accepted as a member of an ethnic minority in Poland, he must be a Polish citizen. The Polish state recognizes the German citizenship of Silesians neither de facto nor de jure. The members of an ethnic minority are obliged to be loyal to the state whose citizens they are.

[Bachmann] What does the government think of the demand, presented in a 16-point catalogue by the German minority, that "the right to a home be realized for the

expellees as well" and that "Germany should continue to provide protection and care for the minority?"

[Skubiszewski] I do not know what rights they are talking about. No foreign state has the right to protect the German minority in Poland. Maybe you are referring to the terrible events that took place before World War II and during the war. Those Germans who were forced to leave Poland after World War II can continue to cultivate their cultural identity, maintain contact with their families, and they can participate in preserving their cultural heritage—also in Poland. One must understand and respect this attitude. This is what Poland does. The Poles who had to leave their homes in the east had a similar fate.

[Bachmann] After the member states of the Schengen Agreement, the Scandinavian states have now opened their borders for Poles as well. Are you conducting talks with Austria about such a step—the abolition of visa requirements between Poland and Austria?

[Skubiszewski] We are willing to reinstate the agreement on visa-free travel with Austria as soon as possible. Certain negative occurrences, particularly in passenger traffic, are primarily due to economic reasons. They should be eliminated with different measures, not by introducing compulsory visas.

[Bachmann] Some time ago, the press reported about fears in the Interior Ministry that Poland might be facing an enormous wave of refugees from the Soviet Union. Would a collapse of the Soviet Union pose a danger for Poland?

[Skubiszewski] The Soviet Union has not collapsed yet. Poland is closely observing changes on the other side of our eastern border. We are interested in a peaceful development. I do not think that one can speak of a real threat at this point.

## Great Support for Tyminski at Party X Rally

*AU0205153891 Warsaw GAZETA WYBORCZA in Polish 29 Apr 91 p 2*

[Report signed 'pinaj': "A Standing Ovation for Tyminski"]

[Text] Six hundred people came to see Stanislaw Tyminski at the Silesian Opera in Gliwice on Saturday. The meeting was held by the Gliwice branch of Tyminski's Party X. During the meeting, the organizers distributed over 700 applications to join the party.

These are some of the things Tyminski said: "We have over 5,000 members. Party X is a political organization, but I prefer it to be an economic one in the future. We must create a strong organization so we can form a government at any time. Every now and then, supporters of mine are intimidated. The party is there to protect them."

About the black briefcase he had brought with him to the meeting: "I do not want to drag out the same kind of filth about Mr. Walesa as the opposition dragged out about me" (applause, joint chant of "down with Walesa.")

About small-scale craftsmen: "They have been terribly wronged. They cannot compete with the heavy enterprises. The income tax imposed on them is an anachronism. The development of handicrafts will be our programmatic objective."

About the church: "I think it is the target of brutal attacks in Poland. I telegraphed the Vatican to ask if the church accepted me. If it did not, I wanted to know about it. I was not told that I was not accepted."

About the Jews and ethnic minorities: "My stance is clear. I would like us to have a Polish Parliament, Polish television, Polish press, and Polish radio, in the full sense of the word." (applause).

Most of the audience was middle-aged. Tyminski was addressed as "vice president" and "savior of the nation." Every statement he made was rewarded by a long round of applause.

Stanislaw Tyminski announced that Party X would hold its national congress on 11 and 12 May in Warsaw. The congress would establish a final program, final name for the party, and an election strategy.

Party X intends to nominate 500 candidates for the election.

Before the meeting, Tyminski held a press conference, admitting every newspaper except GAZETA WYBORCZA. His reason: "The despicable and anti-Polish nature of the country's greatest political machine."

## Labor Party Lacks Confidence in Government

*LD0205172991 Warsaw PAP in English 1127 GMT 2 May 91*

[Text] Warsaw, May 2—The main board of the Christian Democratic Labour Party adopted a resolution expressing their "lack of confidence in the government for its socio-economic policy pursued so far which brings very serious harm to the people."

The party demanded "an immediate, official and public disclosure of agents and informers of the former SB security service and the secret services of other communist countries, especially of those taking seats in the Sejm (lower house) and the senate."

The Labour Party also appealed to the Polish president to veto the law on trade unions.

## Christian Democratic Coalition Prospects Reviewed

*AU0205125691 Warsaw RZECZPOSPOLITA in Polish 25 Apr 91 p 2*

[Kazimierz Groblewski report: "Will There Be a Minor Christian Democratic Coalition?"]

[Text] The 11 Christian groupings whose representatives met at the Wilanow presbytery on 23 April decided "to cooperate in creating a Christian election alliance." That is what the communique adopted at the meeting states. The participants in the meeting, however, did not sign a document on forming a coalition.

The meeting—and this is significant—was organized by representatives of the church. It was initiated by Father Boguslaw Bijak, church representative with responsibility for the peasant movement. The meeting was attended by representatives of the Christian-Democratic Labor Party; the Christian-Democrat "Unity" Party; the Christian Labor Party; the Christian Citizens Movement; the Party of Christian Democrats; the Polish Independence Party; the Polish Christian-Democrat Forum; the Polish Catholic-Social Union; the Party of Loyalty to the Republic; the Catholic Laity Union; and the Christian National Union. The meeting was attended by Bishop Wladyslaw Miziolek, who delivered an address.

The communique that was issued following the meeting states that "the participants decided to cooperate in forming a Christian election alliance, which will encompass groupings that espouse Christian, national values and sovereignty, and which will be open to the peasant movement and to those citizens committee and 'Solidarity' activists who closely identify with those values."

"The decision to cooperate" does not in any sense predetermine the form that the results of that cooperation will take. The participants decided to hold a second meeting. It has been scheduled for 7 May. A coalition involving so many groupings will call for intensive, prolonged work on the formulation of a common election program. That will be difficult to accomplish if a meeting is held only once every two weeks.

Do the 11 groupings that took part in the Wilanow meeting really intend to enter the elections together? If so, it seems unlikely that all 11 of them will be involved, and it seems even less likely that an alliance would be confined solely to those 11 groupings. The communique statement on cooperating to form an alliance seems to be directed rather more at those church circles that initiated the meeting, especially as the content of the communique was not put to a vote. Thus, the communique is in no way binding on those who participated in the meeting.

Some of the groupings could stand to lose rather more than they would gain from an alliance. A coalition would deprive them of the opportunity to form election alliances with more influential forces.

The Party of Christian Democrats will hold a Polish Christian Democrat Congress at the end of May. Some of the groupings organizing the congress took part in the Wilanow meeting: the Christian Democrat "Unity" Party; the Christian Labor Party; and the Polish Catholic-Social Union. It seems doubtful that the Party of Christian Democrats would abandon its own idea, because of the support for a coalition.

If such a coalition were formed, it would already become a second Christian democratic alliance—after the Citizens Coalition of the Center, which was formed by the Center Accord. "If there are two Christian democratic coalitions, then they might sooner or later merge," says Romuald Szeremietiew of the Polish Independence Party.

According to Ryszard Czarniecki, the Christian National Union spokesman, the Wilanow meeting will, nevertheless, provide a point of departure for a coalition. He sees it as being one element in the idea of a grand coalition, which has been advocated by the Christian National Union for a long time. The meeting has initiated the process of setting in order the Christian "legs" of that grand coalition, he said.

Wojciech Bogaczyk of the Christian Citizens Movement sees the meeting as having a similar effect. He said that confining the alliance solely to Christian groupings would be a failure.

Andrzej Switalski of the Christian Democrat Labor Party doubts whether the meeting will contribute to the emergence of a coalition. He maintains that the differences between the groupings are too great. He points out that a lot of meetings of this kind take place and that if every one of them were to be reported "there would have to be a special column in the newspapers."

The Wilanow meeting was not attended by representatives of the Center Accord, which is also a Christian democratic party. Some of the groupings that took part in the meeting, particularly the Christian National Union, were not accepted into the Center Accord's Citizens Coalition of the Center.

Stanislaw Rojek, a member of the Center Accord's governing council, says that he does not expect a single Christian democratic structure to emerge in the near future. He says: "There are too many differences between the parties for them to be able to create a single organization. However, that is also the very reason why they are destined to forge an election alliance."

## Peasant Party's Bartoszcze Remains Chairman

*AU0205134791 Warsaw PAP in English 2003 GMT 27 Apr 91*

[Text] Warsaw, April 27—The Supreme Board of the Polish Peasant Party (PSL), debating here today, voted by 40-35 ballots against recalling Roman Bartoszcze from the post of PSL chairman.

The meeting of the board was dominated by personnel questions raised by Bartoszcze's well-known statement on the de-communization of the PSL last March.

The board also discussed problems of implementing the political contract signed at the 1990 unity congress.

We will not let ourselves be divided and those who take steps to the detriment of the PSL and the peasant movement can leave us, Roman Bartoszcze said in conclusion.

## Iliescu Meets Press; Urges 'Civic Responsibility'

*AU0205174091 Bucharest AZI in Romanian 26 Apr 91 p 1*

[Ruxandra Silvian article: "Press Involves Great Civic Responsibility"]

[Text] On Wednesday, 24 April, President Ion Iliescu met with representatives of Romanian and foreign mass media accredited in Bucharest.

The dialogue began with assessments in connection with how the press presents the complicated and difficult economic and social processes in Romanian society and with Mr. President Iliescu expressing regrets about the lack of understanding, objectivity, cooperation, and a spirit of involvement demonstrated by certain people and publications. Mr. Iliescu launched an honest appeal for "national cohesion and solidarity with those who take risks at such difficult times for our country. The press is an important factor for keeping up the general atmosphere and all of us should rise above narrow group or party interests and assume responsibility toward the country."

Referring to the international opening toward Romania that is currently noted, after a period of relative reticence, the president noted the recent visit Mr. Francois Mitterrand paid to Romania, which he described as "a great event for both bilateral relations and for the atmosphere in Europe in general." He then discussed Romania's presence at the opening of the European Bank for Reconstruction and Development, a very important event in relations between the west and east of our continent in the wake of the CSCE conference in Paris. The Treaty of Cooperation, Good Neighborliness, and Friendship with the Soviet Union is a "positive document that bases bilateral relations on the generally recognized norms of international law."

Returning to the varied commentaries and even distortions appeared in the press in connection with all these events, Mr. Iliescu reiterated the necessity of a "moral code" of journalists and their "great civic responsibility."

Then a tirade of questions by journalists followed. They covered a wide range of issues, beginning with once again the granting of the Most Favored Nation Status to Romania, cooperation with all neighbors, but also with the other countries of the European continent and of the world, the new laws on reorganizing SRI [Romanian Intelligence Service], and national security. The dialogue continued with the President being asked about his personal view on the Government Reform Program, the formation of a national unity government, the possibility of East European countries joining NATO, on the volume of trade exchanges with the USSR, the University Square phenomenon seen from the perspective of its first anniversary, on certain preferences by the president for dialogue with various political figures of the world, the situation of Bessarabia, President Mitterrand's reaction to the hostile demonstrations by certain students, and on the possibility of organizing primaries.

Mr. Iliescu answered all these questions amicably and in detail; the dialogue took place in an open and friendly atmosphere, without any formalism. The time initially planned for this press "lesson" was exceeded by far.

## Iliescu's News Conference Critiziced

*AU0205093991 Bucharest ROMANIA LIBERA in Romanian 26 Apr 91 p 2*

[Roxana Iordache article: "The Cotroceni News Conference"]

[Text] On Wednesday 24 April, on the first anniversary of his calling the anticommunist demonstrators [in Bucharest's University Square] "hooligans," Mr. Ion Iliescu organized a news conference in a beautiful hall of the Cotroceni Palace, a hall reserved for artistic performances. He began with a discreet and modest statement to the effect that he does not like publicity, hence he does not intend to learn the stage manager's art of public appearances of the "Bush kind." For almost two hours, Mr. Iliescu was however up to his best on a stage situated one meter above the heads of the journalists.

After a presentation of the difficult situation in the country, which requires the patriotic cooperation of all forces, the president answered the journalists' questions. The conference theme was "Romania's new relations with the USSR and the European Community." Mr. Iliescu declared himself "somewhat envious of the fact that, in spite of similar difficulties, others are more successful in projecting a better image about their country to the outside world"; in our country, the opposition does not show national solidarity and the press, as well as those who have emigrated, contribute to keeping up this climate in the country. Mr. Mitterrand's visit was a major event for the general climate in Europe and for "every man who feels something for this country," while the opposition and certain publications tried to compromise the powers that be in the eyes of the West; let alone the monstrous slogans put up by the students, such as "Iliescu-Criminal." The new treaty with the USSR was misinterpreted: it is a positive one, since it replaces the old one that was no longer valid (?!) and provides for the expansion and diversification of contacts with the Union (!) republics. Asked whether he brought up in Moscow the issue of Romania's assets and the Ribbentrop-Molotov Pact, Mr. Iliescu spoke in detail about Serpilor [Serpents] Island and begged us to believe President and CPSU General Secretary Gorbachev that the latter had not been informed about that issue. Concerning the Most-Favored-Nation clause, the president wondered why the United States does not interrupt the interruption brought about by Ceausescu, particularly since the United States granted Romania that status

in the first instance and now the issue of the "liberalization of the movement of the Jewish population" no longer applies.

The proposal of a FSN [National Salvation Front] female journalist from DIMINEATA—that the students who behaved in a disorderly manner at Mitterrand's arrival should be punished—was rejected by Mr. Iliescu since "it would not have the expected effect"; moreover, "we do not have efficient forces of public order"—proof of which being the 22 April intervention in University Square, which became necessary because the "demonstration degenerated" in the evening. As a matter of fact, Mr. Iliescu stuck to the statement he made one year ago, namely that there were hooligans in the square, at least at the beginning and the end of the demonstration; if the term has become famous in the world, then he is flattered by it. No word about the miners. On the other hand, Mr. Iliescu expressed his dissatisfaction with the film "University Square-Romania" (although he has not seen it), because it is a film that "stirs up feelings," and he "regrets that it was done under the aegis of the Ministry of Culture." The film contains false documents, absurd allegations, and calumnies. "There is a penal law aspect involved here and hence I will ask for an investigation into the way in which those documents were manipulated," which is also proof of the fact that "professional integrity has been violated." Concerning a reference to his predominantly left-wing leanings—see his meetings with Gorbachev and Mitterrand—Mr. Iliescu said that he had had talks with figures of other colors, too ("Madam Mitterrand"), forgetting to mention that those meetings were unofficial. Coming back to the treaty with the USSR, the president said that Havel [Vaclav Havel, president of the Czech and Slovak Republic] and Antall [Jozsef Antall, prime minister of the Hungarian Republic] have asked to be sent the treaty so that they could study it as a model, and that similar treaties have been concluded by the Soviets with France, Italy, and Germany. Returning to domestic problems, in connection with the government reshuffle he said that "a diffusion of responsibility would be desirable," under the form of a "government of national unity," but that this was not possible. The Liberals suggested it to him, as of last December, namely to mediate the formation of such a government and two weeks ago they took up this proposal again—at least this is what Mr. Iliescu claims. Of course, he did not forget to mention the "undemocratic" attitude of the PNT-cd [National Peasant Christian Democratic Party], as resulting from Mr. Coposu's [PNT-cd president] statements, which constantly and categorically refuses any cooperation with the FSN.

Concerning the dissolution of Parliament and the calling of early elections, the president considered them as inopportune, since the proceedings of the Constituent Assembly are in an advanced stage and may be finished ahead of time, which would implicitly bring about early elections. Mr. Iliescu pleaded for a presidential institution with extended presidential prerogatives, invoking the western model (Bush, Mitterrand) as an argument. At the same time, the president ridiculed the opposition which, while being against such prerogatives in Parliament, keeps turning to him in priviate to intervene in the affairs of the executive branch.

Finally, the questions of the undersigned, whom Mr. Iliescu thought to be and "old woman," given the "wickedness" of my writings, but now sees that "you are young and nice, a pity you are so mean"—something that caused hilarity in the hall. Setting out from the statement of the Council of the People's Front of Moldova (a national liberation movement)—the final part of which I read aloud—which considered the conclusion of a treaty with the USSR as inopportune, given the disintegration of the Soviet empire, the negation of the right of the captive peoples to national and state independence, and the continuation of Romania's relations of vassalship toward the USSR, I asked whether this treaty still allows the Romanian state to intervene at the United Nations for recognition of the status of Bessarabia, North Bukovina, and the Hertza district as occupied territories, which must be later liberated, in accordance with international law. Mr. Iliescu answered: "I can see that you are adopting sectarian (sectare) positions. The stands adopted in the statement you quoted are very sectarian and run counter to the statements of President Snegur [Mircea Snegur, president of the Republic of Moldova] and of that country's government and parliament. These assessments are the expression of a narrow, sectarian, and extremist viewpoint, which does no service whatsoever to the cause of the Republic of Moldova and also shows a lack of knowledge of the content of the treaty. Some slogans appeared in Chisinau [Kishinev] reading something like this: 'Romanians, let us cross the Prut River'; Minister Nastase [Romanian Foreign Affairs Minister Adrian Nastase] asked: 'With what? With the tanks or armored vehicles?' What does that mean, that we should declare war on the USSR? To occupy territories that were once arbitrarily occupied?" No. We should have merely nic intervention at high level, as implied in my question, to which no answer was given. Regarding the two questions about President Mitterrand's visit—what was his reaction to the student's protests and the question whether it is advantageous for Romania to establish multilateral economic relations with France, knowing that the latter is not an economic power—Mr. Iliescu said that his French counterpart was not impressed with the demonstrations, being used to protests by his own young people at home, and, on the other hand, "how dare we be arrogant vis-a-vis France"; we have to also established ties with other countries, not only with superpowers such as the United States, Germany, and Japan. Well, the problem is that the latter did not offer themselves to us, since Romania's leadership could not offer the necessary moral guarantees and proof of competence. Anyway, our situation of bankruptcy should make us refrain from solely entrusting our country's recovery to a country without world supremacy in the matter, let alone a country ruled by a left-wing government, which is contested even in its own backyard. However, cultural relations with France are always

welcome, particularly since the Sorbonne University declared itself a "Hooligan-University," as Mr. Iliescu would be able to note for himself if he deigned to watch the film, "University Square-Romania."

P.S. By "sectarian," did you mean to say that stolen Moldova is part of my religion?

### Roman Chairs First Meeting of New Cabinet

*AU0205192491 Bucharest ROMPRES in English 1838 GMT 2 May 91*

[Text] Bucharest ROMPRES, 2/5/1991—Thursday, 2 May, the weekly governmental meeting was held, presided by Premier Petre Roman, the first after the reshuffle.

Opening the meeting Prime Minister Roman congratulated and thanked those leaving the government for their activity and said he was confident they would go on competently backing the reshuffled government in implementing the reform. In context Premier Roman referred to "the cohesion of the government nominated on 28 June, that had really been working as a team," and pointed out the same condition had to be met by those who had just entered the government, so that the governmental activity should be fruitful.

Considering the past few months' recurrent criticism of the government's "lack of authority" as justified, Prime Minister Petre Roman requested each government member to implement the government decisions and discharge their executive functions with "responsibility, austerity and firmness" in their line of duty.

The prime minister recommended a better correlation of government activities, a subject decided to be tackled at the next cabinet meeting.

### Press Reaction to Government Reshuffle

*AU0205161191 Bucharest ROMPRES in English 1300 GMT 2 May 91*

[All quotation marks as received]

[Text] Bucharest ROMPRES 2/5/1991—"AZI" (FSN [National Salvation Front] daily): (...) "Modifications are in keeping with the reason generating them but, inevitably, they can hardly be expected to tickle the opposition's vanity; (...) It is a very concrete participation of some personalities with different political views in the act of governing, as well as a re-structuring of Roman's cabinet in some substantive areas. (...)

Professional meeting-making, pessimism as a vocation and the new kind of PSM-ism (from PSM—Romanian initials of the Socialist Party of Labour led by Ilie Verdet) are 3 whirlwinds the new Roman cabinet and the young governing party will have to avoid, like flying over a tricky triangle of political Bermudas.

"DIMINEATA" (democratic information and opinion daily"): "There have been alterations but nothing's changed...(...) it cannot influence in any way the direction and pace of reform. It was the prime minister playing for time. It will fail to considerably improve the government's credibility, except maybe abroad. That will happen because, unfortunately, further measures are expected, that will lower living standard to almost unbearable limits. It is therefore hardly probable that the miracle Petre Roman seems to expect will occur. (...)

The political groups of the so-called opposition who declared they would not take part in the executive's renewal understand thereby they would not only refuse to take any responsibility in the process of reforming transition, but that they would even oppose it, trying, for lack of an alternative programme, to obstruct any initiative aiming at the country's economic recovery and social stability. And thus, short of coherent variants and viable options and proposals, the opposition can do nothing but say 'no' (to be translated by 'down' in street language)."

"ADEVARUL" ("independent daily"): "Changes that are not aimed at the substance of matters (...)

"Failing to reach "a deal" with the National Liberal Party, FSN went in search of less exacting collaborators, thus killing two birds with one stone: a practical demonstration for the Western democracies' eyes meant to show that, despite crushing majority in parliament, FSN is a party open to cooperation; and, at the same time, a rebuff of those who had refused to collaborate with the present power."

"TINERETUL LIBER" (independent daily for all youth"): "Missing a good opportunity (...) a formula of quarter measures: a pretended opening to the opposition, rather a staff rotation in a still one-colour executive. (...) The governing party is left to run alone in a race full of extremely difficult obstacles. (...) The aborted attempt to form a government of national union is regrettable. Had it succeeded, it might have defused many of the social bombs which have just been lit. (...) At an international level, maybe with the exception of France, a government of national union would have looked much more attractive (...) The fault lies only partially with the government and election winning party (...) going from firm rejection to conditions unacceptable under the present imbalance of forces in parliament, the opposition has placed itself on level positions, rather discouraging for the initiators of the first step to a reconciliation.(...) It looks like party interests come once more before the great interests of finding a way out of the crisis."

"LIBERTATEA" ("first free paper of the revolution"): The Romanian Government in revised and enlarged edition. Dinu Patriciu recovers liberal values of reform. The opposition offended that the May 6 deadline for discussions has been disregarded (...) after all, the new government is.... of independent coalition." (...)

"ROMANIA LIBERA": ("independent daily of opinion, information and account"): "The reshuffle intended by Premier Petre Roman was a failure. It came too late and with no sufficient preparation (...)

"A no-confidence vote cast by the parliamentary majority to its own government. The solution is to dissolve the Constituent Assembly without delay and hold early elections. (...)

"The general reason for the reshuffle stands clearly: It was apparently made to give a prominent personality such as general Stanculescu the delicate office of industrial affairs.

"None of the opposition's prominent personalities has accepted to collaborate (...) (The premier) managed instead to coax personalities of lesser rank in political life, apparently ready to trade their political future for a short lived glory (...)"

"CURIERUL NATIONAL" ("information daily"): "Although no proper explanations were given—speaking of openness—it seems the conservative position of Messrs. Vatasescu, Zisu and Stolojan caused them to be replaced with other persons with different views, likely to ensure what the opposition had repeatedly criticized and for good reason the practical implementation of reform. That had been precisely the area covered by the three ex-ministers."

"ROMANIAI MAGYAR SZO" ("republican democratic daily," in Hungarian): Reshuffle? We might call it so. But re-organization looks like the proper word for it. (...) a worn-out government with new spare parts."

### Chebeleu on Diplomatic Agenda, EEC Talks

*AU0205170391 Bucharest ROMPRES in English 1535 GMT 2 May 91*

[Text] Bucharest ROMPRES, 2/5/1991—The spokesman for the Foreign Ministry, Mr. Traian Chebeleu, announced the following Romanian actions on an international plane: Over May 8-10, the Romanian foreign minister, Mr. Adrian Nastase, will pay a visit to Great Britain. The programme includes talks with Mr. Douglas Hurd, secretary of state for foreign and Commonwealth affairs, and with other executives in the British Foreign office, meetings and talks at the Department of Trade and Industry and with the members of the foreign policy commission of the British Parliament and with members of the British-Romanian Parliamentary Group. At the same time, the Romanian minister will deliver an exposition at the Royal Institute for International Affairs on "A New Architecture in Europe" and will have contacts with executives of the Great Britain-Eastern Europe Centre and of other British institutions and organizations.

Over May 5-8 a session of the Joint Romanian-Zimbabwean Commission of Economic and Technical Cooperation will be held in Harare to analyse the results of the two countries' economic and industrial cooperation so far. We expect the session to take steps to place the two countries' cooperation on new bases, especially by a direct involvement of Romanian and Zimbabwean economic agents in negotiations and cooperation projects, the Foreign Ministry spokesman said.

Over May 8-10 Bucharest will be the venue of a meeting of the foreign policy commissions of the parliaments of Balkan countries.

A delegation of the sub-committee on Eastern Europe of the Political Committee of the North Atlantic Assembly will visit Romania over May 7-10.

During a news conference the Foreign Ministry spokesman, Ambassador Traian Chebeleu, said that Mr. Romulus Neagu, member of the government, state secretary in the Foreign Ministry, had met, during his visit to the Belgian capital city, with Mr. Jean-Louis Cadieux, deputy director general in charge of external relations, at the EEC headquarters.

During the interview, Mr. Romulus Neagu outlined the stages covered by Romania in implementing the economic reform, the steps taken to liberalize prices and salaries, and the measures for privatization in industry and agriculture.

The Romanian side expressed the wish to start negotiations on association with the European communities as soon as possible. Mr. Cadieux said there were prospects for the exploratory talks on the negotiation of an accord on association with the Common Market to be held in the last trimester of the ongoing year.

### Further on Chebeleu Statements

*AU0205190791 Bucharest ROMPRES in English 1839 GMT 2 May 91*

[Text] Bucharest ROMPRES, 2/5/1991—The introduction the Dutch ambassador to Bucharest made to his televised address of 29 April on the occasion of his country's national day containing ironic hints at the scarce number of minutes granted for his speech was an unpleasant surprise for us, for it has nothing to do with diplomatic manners, said Foreign Ministry spokesman Traian Chebeleu at his weekly news briefing.

The TV appearances of ambassadors to Romania, occasioned by their national days are established on a mutual basis. Romania has no such agreement with Holland. As far as I know, our representatives have never been on the Dutch television. By courtesy, the Romanian television gave the Dutch ambassador the opportunity to speak before the Romanian nation on the event of his country's national day in recognition of the help extended by the Netherlands to Romania during the December, 1989 revolution. The length of time that could be apportioned to this and the moment for its release are matters that exclusively fall in the competence of the Romanian Radio- Television. The Dutch ambassador's attitude is all the more surprising as he only too well knows the

importance Romania attaches to its relations with Holland. A proof of this is also the participation, by way of exception, of President Ion Iliescu in the reception offered by the ambassador for the national day of his country. So as, recently, Foreign Ministry Secretary of State Romulus Neagu, member of the Romanian Government, visited Holland, where he had very fruitful talks with the Dutch foreign minister and with other political personalities who manifested interest in ensuring the Romanian-Dutch relations a sustained development.

In keeping with the provisions of the CSCE documents of Vienna, this week Romania made known to its partners in this organisation the 1991 military budget, with detailed spending specifications, as required by the regulations for the international standardised reporting of military expenditures, stated Foreign Ministry spokesman Traian Chebeleu.

Next week, the same report is to be officially forwarded to the UN Secretariat.

The report gives a total figure of lei 32.3 billion. For the 1991 military spendings of Romania, which in terms of the current official rate is equivalent to U.S. dollars 530 million.

"Considering the above, the amount of 7.2 billion dollars indicated in the 11 March issue of the U.S. magazine 'INSIGHT' as being Romania's 1991 military budget appears as grotesque and is completely ungrounded. We do not know what source of information prompts the magazine to multiply the real figure by fourteen," concluded the Foreign Ministry spokesman at today' newsbriefing.

We ought to seriously think of organizing the East European space in point of security, said Mr. Traian Chebeleu, spokesman for the Ministry of Foreign Affairs, at his weekly news conference, while referring to the international assessments of the Romanian proposals for changes in Eastern Europe and their implications for European security, contained in the exposition delivered by the Romanian foreign minister during the international conference on the future of European security held in Prague over April 21-25, 1991. To this end, Mr. Chebeleu further said, we advanced the idea of building a mechanism or a forum of political consultations or military transparency, apt to provide the due framework for confidence and cooperation among the countries in this part of the continent. We have taken our inspiration from the existence of the Western European Union, certainly with less emphasis on military and collective security and with stronger stress on the political aspect—such an organization which we could call, for instance, the Central and Eastern European Union, would work both as a catalyst for qualitative changes in the Warsaw Treaty, as long as it functions, and as a factor apt to prevent a situation in which its disappearance would result in a "representation vacuum" of joint interests of security of the participating countries within the all-European framework of debates and efforts meant to strengthen security and confidence.

It is presumable that this new structure is apt to provide for the proper framework for the promotion of confidence and security building measures in its sphere of influence by organizing consultations, exchanges of information, control for a wider transparency of the member states' military activity, and for avoidance on distorted perceptions, by coordinating efforts to prevent and eliminate negative consequences of obvious non-military dangers posed to security as well as of the ecological ones or of those coming up from terroristic activities or drug trafficking.

By promoting and developing mutual confidence among the member countries, such a mechanism could favour a harmonization of their foreign policies, a coherent promotion of mutual interests within the CSCE. On the same basis, a gradual integration of the participating countries into the already existing structures could be encouraged in non-competitive manner and even through conjugated efforts.

The political will for cooperation of the countries to participate in such a union could be materialized through a minimal number of structures apt to facilitate consultations, continuing the projects and implementing them, setting up a mechanism of political consultations (more likely at a foreign ministers level) and of a mechanism of military consultations which would include or would be correlated to a mechanism apt to avoid distorted perceptions in the military sphere.

As for competence, the union would be open to all countries which are usually considered Central and East European countries. It would be convenient if the Soviet Union, the United States and the European communities or the Western European Union participated in all the proposed union's meetings as permanent observers, since their consensus would be a sine qua non for the endorsement of decisions on any major issue.

Alternately, such a mechanism could also be conceived within the CSCE institutions. So, we cold foresee the setting up of a commission for Central and East European security as a subsidiary of the CSCE council of foreign ministers, which might meet the same demands, having as statutory members the foreign ministers of the Central and East European countries that shall make decisions by consensus.

Such a decision-making and consultative body shall be open to any CSCE member country.

## Military Budget Reportedly 32.3 Billion Lei

*AU0205125091 Bucharest ROMPRES in English 1120 GMT 2 May 91*

[Text] Bucharest ROMPRES 2/5/1991—According to the provisions of the Vienna CSCE resolution Romania

communicated this week the detailed data on its military budget for 1991, following the international standard procedure in this field.

Next week the same document will be officially sent to the UN Secretariate.

The document specifies inter alia the total amount of the military budget for 1991, which is 32.3 billion lei—about 530 million dollars at the official exchange rate of the leu.

"We therefore deem as totally groundless and farfetched the allegation printed by "INSIGHT" on March 11 that Romania's military budget for 1991 amounted to 7.2 billion dollars. "We ignore the information source that indicated a 14-fold figure to the American magazine" said Foreign Ministry Spokesman Traian Chebeleu during a press conference on Thursday, May 2.

### Newspapers Protest High Price of Newsprint

*AU0205170191 Bucharest ROMPRES in English 1529 GMT 2 May 91*

[Text] Bucharest ROMPRES, 2/5/1991—Under the title "Freedom of the Press Seriously Endangered," the daily "ADEVARUL" says that the new price of newsprint, announced on 30 April, "puts the existence of Romania's independent press seriously in danger." In less than one year, mentions the said daily, the price of newsprint has grown seven times. A number of effects are analyzed theoretically and with concrete examples, of decision 312 on 27 April, according to which producers and merchants can establish prices and commercial surcharges without restriction. The daily "ADEVARUL" considers that, in this way, "economic-financial demagogy kills democracy."

Specifying that the newsprint price in the most recent invoices sent to newspapers by ROMHART [Romanian Paper] Bacau is of 38,100 lei for one tonne, to which transport and handling prices should be added, the daily "ROMANIA LIBERA" addressed "a direct message" to the government, published in the first page of today's issue, asking on behalf of the newspapers' readers, printers and journalists, "who is responsible for such an abusive disposition, which will deprive the public opinion in Romania of one of the most important gains of the December 1989 revolution. (...) millions of readers want to be answered as soon as possible."

### 'Fratia' Leaders Comment on Meeting With Iliescu

*AU0205192791 Bucharest ROMPRES in English 1832 GMT 2 May 91*

[Text] Bucharest ROMPRES, 2/5/1991—"Following the statements 'Fratia' ['Brotherhood'] made in December, the government was very 'squeezed.' Considering that such a pressure is no longer strong, the government has again got into that "dolce far niente." It is very calm, very contented with what it does, it has found a genuine mechanism of motivations, that there is no money, that there is not one thing or another, and we are very worried about it (...) where we could not find understanding or a solution at a government level we forwarded our problems to the president and we came to ask the universally elected president to give solutions," stated Miron Mitrea (coordinator), Sorin Stan (vice-coordinator) and Mircea Popa (press department), representatives of the "Fratia" Trade Union Confederation, after their interview with Mr. Ion Iliescu [on 2 May, in Bucharest].

"Today's talks focused on some problems facing the trade unions within 'Fratia' as well as on our stand regarding the changes in the government and Romania's socioeconomic situation. More particularly, we asked for certain solutions apt to clear up situations we think abnormal," stated the coordinator of "Fratia." Economic questions were approached, the much talked economic blockade, the financial blockade of large enterprises in the country. Serious aspects in the food industry and passenger transport were also in the focus. In the context the "Fratia" representatives underlined that "in Bucharest, maybe half of the milk amount supplied before would no longer be delivered, while in Arad and Oradea the meat preparations factories are blocked, urban and interurban transport is likely to be stopped owing to the lack of money. That is, we understand that price has been blocked at a certain ceiling not to create social shocks, which is quite normal, and we even demanded this, but the government promised to ensure the due subvention so that these enterprises can remain profitable. Yet this has not happened."

The talks also approached questions related to education and health as well as to the need for "Fratia" to take the initiative of advancing the parliament bills regarding the employee's protection.

### FSN Splinter Group Legalized as Separate Party

*AU0105131891 Bucharest Domestic Service in Romanian 0400 GMT 1 May 91*

[Text] A new political grouping was set up yesterday: the National Salvation Front-Social Democratic [FSN-SD]. The communique released on the occasion of its legalization emphasizes that this grouping consists of those who remained faithful to the option for the change and improvement of our life, as it was expressed on 22 December 1989 and in the political platform of the National Salvation Front [FSN] which was endorsed on 20 May 1990. This party, the document reads, is open to all those working for the salvation and recovery of the Romanian society, on the basis of [word indistinct] humanist and democratic principles and norms, which are specific to the international social democratic movement.

## Opposition Writer Dinescu: Romanians Are 'Sick'

*AU0205143691 Budapest NEPSZABADSAG in Hungarian 27 Apr 91 pp 2-3*

[Interview with Mircea Dinescu, president of the Romanian Writers' Association, by Anna Tothfalusi; place and date not given: "Will There Be Fish Soup From An Aquarium?"]

[Excerpts] [passage omitted] [Tothfalusi] Your articles appear increasingly rarely, and those that do appear are increasingly sad, bitter, and cynical. You said that only your sense of humor kept you from committing suicide.... Do you think that the situation is that hopeless?

[Dinescu] Romania is a sick country. For decades, it has been subjected to darkness, hunger, cold, and fear. Thus, how could we now harvest light and Christian feelings? We are sick. The dictatorship made us sick, and I do not know what kind of medicine this country should have. I cannot heal myself of the disgust that has overcome me in the past year. We have become a hysterical nation, and I think we need another miracle to somehow extricate ourselves from this situation. Many people regarded the December revolution as such a miracle. However, what we really need is a revolution in the people's minds, and a street uprising is not enough for that. [passage omitted]

[Tothfalusi] What could heal a whole country?

[Dinescu] It is very difficult, and almost impossible to answer "on behalf of the people." I think the people are aware of the fact that they are "sick." They are restless and skeptical. They do not know themselves what could change all this. Nor do the leaders know this. I cannot point an accusing finger at anyone in particular. I think we are all to blame, not only for the things that happened in the past year, but mainly for letting things get that far. Stalinism has reemerged in Romania, while it has already essentially disappeared in the Soviet Union and the other eastern European countries. [passage omitted]

[Tothfalusi] In what direction will Romania advance?

[Dinescu] I do not know. I am afraid to speak about the future, because we are still seeking our present, and I think that we have not yet found it. Perhaps our biggest problem is that we do not have a real order of values. In Ceausescu's time, at least we had an order of negative values and we knew who the scoundrels were. However today, the main servants of communism have become the greatest anticommunists overnight, and the traitors have also become martyrs and revolutionaries overnight. Our entire political life is full of such people. [passage omitted]

[Tothfalusi] Nowadays, we are increasingly witnessing the desire of the former socialist countries to return to or join Europe. The same applies to Romania. What does that mean for the 23 million people living in Romania?

[Dinescu] People do not even understand all this. For most of them, Europe does not mean anything. When the big powers drew those lines at the end of World War II, they banished us to "another" continent. Whereas between the two world wars we were competing with Hungary about whether Budapest or Bucharest should be called little Paris, we must now toil to escape from the taiga. Nor does Europe love us particularly. If I want to be optimistic, I can say that I will be able to answer all the questions, including the direction in which Romania will advance, in about 10 years' time.... [passage omitted]

## Paler: Leadership Misfortune for Country

*AU0205115491 Bucharest ROMANIA LIBERA in Romanian 25 Apr 91 pp 1, 2*

[Octavian Paler article: "The Evil That Is Wearing Us Down"]

[Text] I have noticed how a spirit that I would term "negative lucidity" is growing in Romanian society. People have realized or are realizing that the current leadership is a misfortune for our country and therefore oppose it more and more clearly and intensely. However, aside from this rejection, nothing is very clear, while those in power rely—I suppose—on endless talking in the hopes that protesting movements will become indifferent. This is a cynical way of thinking, but not without any grounds. This is proved by the fact that we are groping around as if we were walking on quicksand, more and more tired and demoralized, almost forgetting that resignation was one of the dictatorship's pillars of support. We are ready—one could say—to resign once again. Why? Simply because sometimes there is only a single step between desperation and disgust.

I am asking myself whether the opposition parties (genuine opposition, not a simulated one) and the other political forces, including those who call themselves "apolitical" in a bashful way, which I cannot understand, realize that the evil that is wearing us down at this point is the lack of hope and that, in the absence of a strategy and appropriate attitude, it contributes to the impression that we lack the medical capability to heal ourselves of this evil... Recently, someone told me that ours is a strange situation. He said that there was no genuine political force, in the full and classical sense of the word, in a country that seems over-saturated by politics, intoxicated by politics, and driven to hysterics by politics. The leadership can be associated with a mafia and this mafia has taken care to confuse us and to hamper the organization of a political awareness in our country. Thus, we have numerous officially registered parties and we have, so to say, a ruling party, but political pluralism, about which there is so much fuss, is nothing but fiction. We have no one party system either as we used to have before!—exclaimed the one I am talking about. The National Salvation Front is not a genuine party and never has been. It started as a motley group when there was a power vacuum in order to lay its

hands on power under the pretext that it wanted to run the country until the elections; then it lifted its mask and announced that it was going to turn into a party (to observe the "protocol" of democracy). But what kind of a party is the Front? It is burdened by a primeval sin. It was born out of a lie, namely that of the emanation of the revolution, and it will not be able to get rid of it without dissolving itself. The only elements to ensure its cohesion are political ambitions and selfish interests—something that explains why this cohesion is both reckless and weak. Only as they went along, did those who had made it to the top tell themselves that it would be good if "their Front" assumed a political color. Since red was a compromised color, they chose pink. They informed us that the Front is not a center left party of the social-democratic type; however this did not stop them after the elections from issuing a liberal program in order to throw dust into the eyes of the West. In actual fact, this "party" is an "umbrella" organization of some sort, because not only did career hunters rally to the side of those who wanted to rise to power, but also honest reactionaries whom the revolution or merely the unknown had frightened... This talk, characterized by bitter irony, made me think seriously of a paradox that would probably merit some consideration. Do we not, by any chance, have a state and not a party in power today? More precisely, the former state reshuffled, adjusted, and cosmetically changed. For the Communist Party disappeared in December 1989, whereas the state created by the Communist Party has not. It resisted. It exists. Certain structures, which attracted notice, have been eliminated, others were renamed or revamped (the Securitate has become the Romanian Intelligence Service); on the whole, however, the former bureaucratic machinery and its outgrowths have stayed in place. Those in power made them dependent and put them into their service, thus also subjugating them. This monstrous alliance... but no, I will no longer use the word "mafia" as a figure of speech.

If this is how things stand, it is even sadder that the opposition, the entire opposition, has not yet united. True, there is a strong opposition in our country today. However, it is not an organized opposition. It is rather a state of spirit, an interference out of disgust, disappointment, desperation, resignation, and helplessness. This negative opposition that knows very well what it rejects and why it rejects something, but which, puzzled, asks itself "what can be done?" and has rattled nerves, is getting tired, and is finally becoming demoralized. It understands, or senses that it has been lied to and is still being told lies; it witnesses the emergence of a new wooden language in which words like "implementation" or "unfolding" are used all day long; it realizes that demagogy is as prosperous as business and that the same old story, accompanied by the most amateurish shamelessness, never ceases to be on television, that the "need for peace" is scrupulously turned into electoral capital with the help of the police, but, at the same time, it notes that there is no hope dawning on the horizon, that the dirty volcano of squalor is becoming more and more active, and that inflammable matter is collecting in the atmosphere and threatens to explode one day. Psychological opposition is characterized by the nostalgia of an organized political opposition that gives hope and makes it look beyond the chant "down with!" However, this nostalgia cannot yet find firm support. It seems that not all opposition parties have arrived at the conviction that "realism" is in place in a normal political struggle—when this struggle is not waged against a mafia—and that tactics based on compromises condemn them to play the comedy of democracy, without being able to bloc any law that those in power want. On the other hand "apolitical" organizations continue to ignore the "political" nature of patriotism and hope. Certainly, we would be unjust if we forgot that the "new class," which now swears by and longs for a market economy, did not spare any means to discredit the historic parties and the very idea of party. I know a lot of people who view party membership with reservations being convinced that it is healthier to be by yourself or, anyhow, outside any party if not "apolitical." This demonstrates that the very foundation of a democratic process has been undermined in our country and that those in power have involuntary allies even among those who protest against them. However, all these things are explanations, not excuses. We are not far from a tragedy of interference becoming a tragedy of exasperation and discouragement that will turn the current crisis into a dead end; at such a time nothing is more important or more urgent than the need to make Romanian society believe that an alternative is possible.

Some people believe that, seeing themselves so violently protested against, those in power will end by giving way, without even waiting for the opposition to get organized. Their illusion that decency does exists in politics is, certainly, comforting up to a point. Too many ambitions are hopping around on the graves of the martyrs of a bloody revolution. It is necessary to cleanse the atmosphere a little of idealists as well. Only the dead end we have reached requires—in my view—more than just romantic optimism and more than constantly repeating demands for resignation, which are now even chanted by children. We are witnessing a nonstop political performance in parliament, on television, and in the street. What we lack is not a performance but a political administrator to end our nightmare. People want to know by whom and on the basis of what tangible program this mafia can be replaced that has taken us to this promiscuous and miserable "genuine" democracy. But first of all, they want to hope that it is possible to emerge from this nightmare. If this expectation is not met, the risk of them feeling cheated not only by those in power, but also by the opposition, is very great, and then the blame for what is happening in our country will not only burden the shoulders of those who are talking about consensus, while they push us to tear ourselves apart because of frustration.

### Croatian Police Seal Off Borovo Selo Village

*LD0205130491 Belgrade TANJUG Domestic Service in Serbo-Croatian 1217 GMT 2 May 91*

[Text] Borovo Selo, 2 May (TANJUG)—Police forces blocked approaches to the village of Borovo Selo today just after 1300. All vehicles heading for Borovo Selo are being turned back. No information about events in the village is yet available. People living a few hundred meters outside the village say that automatic weapons fire has been heard. Unconfirmed rumors say that two policemen from the Dalj police station were detained in Borovo Selo last night.

### JNA Tanks Move Toward Borovo Selo

*LD0205153891 Belgrade TANJUG Domestic Service in Serbo-Croatian 1516 GMT 2 May 91*

[Text] Borovo, 2 May (TANJUG)—A column of Yugoslav People's Army [JNA] tanks, together with tansporters and ambulance vehicles, passed through Borovo just before 1700 from the direction of Osijek and went toward Borovo Selo, a TANJUG reporter says. [Borovo is on the Osike-Borovo Selo road.]

According to the information available so far, gunfire was heard for several hours today in Borovo Selo. It has been also learned from several sources that strong forces of the Croatian Ministry for Internal Affairs [MUP] are in the village.

According to information from the Vukovar Information Center transmitted by Radio Belgrade, six wounded people, two of them members of the special units of the Croatian MUP, are in the surgical ward of Vukovar hospital.

### Croatian Policeman Killed in Polaca

*LD0205140191 Zagreb Domestic Service in Serbo-Croatian 1300 GMT 2 May 91*

[Text] This morning, unidentified terrorists attacked a Polaca police patrol of the Croatian Ministry for Internal Affairs. Policeman Franko Lisica was killed. We have learned that the attack on the patrol in Polaca lasted about half an hour. The patrol was attacked while carrying out its regular duties. According to information received from Polaca, unarmed inhabitants of this village, mainly women and children, went into the streets trying to prevent tanks and the Army from passing through their village. The Army left the Benkovac baracks and headed toward the village, populated mainly by Croats.

We also learned that the inhabitants of Polaca have erected barricades on approaches to their village to defend the police station.

Meanwhile, about 100 inhabitants of Bidinje, where Lisica was born, have gathered in front of the Zadar Municipal Assembly in People's Square. The leadership of the Zadar Municipal assembly is in session discussing the situation. The full interparty council for the defense of the Zadar municipality has left for Bidinje for talks with its leaders and inhabitants.

### Osijek Police Statement on 1 May Shooting

*LD0205155391 Belgrade TANJUG Domestic Service in Serbo-Croatian 1446 GMT 2 May 91*

[Text] Osijek, 2 May (TANJUG)—The Osijek police administration has issued a brief statement for journalists, saying that several policemen from this police station were wounded while trying to break into the village of Borovo Selo. They were going to help their colleagues from the Vinkovci police station, who were surrounded in the village. The Vinkovci policemen had arrived in Borovo Selo to ascertain what had happened to two policemen who had been detained last night in Borovo Selo. The village of Borovo Selo is populated mainly by Serbs.

The Osijek police administration said that last night, weapons were fired from the village on two police patrol vehicles that arrived in Borovo Selo. A bullet-riddled vehicle managed to get out of the village. The other, with two policemen in it, was left in Borovo Selo. The police station, through the Serbian Democratic Party, tried to persuade armed villagers to let the detained policemen go, but the reply was that there were no policemen in the village.

Following this, policemen from the Vinkovci police station tried to enter Borovo Selo. They were, however, greeted by gunfire, and were encircled. The policemen then asked the Osijek police station for help. The Osijek policemen were also met with fierce gunfire, and several policemen were wounded.

It is not known what happened to the policemen from the Vinkovci police station who were left in Borovo Selo. It is also not known whether there are wounded or killed in the village itself.

Meanwhile, army vehicles were seen moving from Osijek toward Vukovar.

### Details on Brsadin Killing Provided

*LD0205175291 Belgrade TANJUG Domestic Service in Serbo-Croatian 1029 GMT 2 May 91*

[Text] Brsadin, 2 May (TANJUG)—A murder in Brsadin, which occured yesterday around 0830 in the central village street, is still causing disquiet among the villagers. As it has already been reported, a retired worker of the Borovo rubber factory, Mihajlo Gelencir murdered retired railworker Stevan Inic.

We have learned from the Brsadin local community that the killer is Croatian and the deceased is Serbian.

According to villagers, and this was confirmed today by a deputy of this local community in the Vukovar municipal assembly, Savo Davidovic, there were no known

outstanding disputes between Gelencir and Inic. Gelencir shot Inic with a pistol while the latter was carrying a Serbian flag with a red star through the village.

Investigative Judge Mladen Filipovic from Osijek refused to come to Brsadin despite assurances given by Deputy Sava Davidovic and others that he does not have to fear for his safety during the investigation. It is expected that the investigative judge will arrive today.

### Plitvice Army Blockade Breached by 5,000

*AU0205183491 Belrade Domestic Service in Serbo-Croatian 1700 GMT 2 May 91*

[Milos Trajkovic and Kosta Krajincanic report]

[Excerpt] [Trajkovic] This protest march was unexpected. It happened immediately after the meeting ended in Jezerce, a place five km away from the central part of the Plitvice Lakes National Park. After the end of the meeting at which all current demands of the Serb population in Krajina were voiced, instead of going back to Titova Korenica, about 5,000 people headed to the very lakes that are under full control of the tank units of the Yugoslav People's Army. Without any major incidents, the people broke through four blockades set up by solders and reached the Sixth Lika Division Museum. This is how it sounded:

[Begin unidentified speaker recording] Do not do this, citizens, please go back. [indistinct shouts heard, a shot fired] Please, go back, we are responsible for your security. [indistinct voices heard] [end recording]

[Trajkovic] At about 1600 negotiations began in the Sixth Lika Division Museum between Milan Babic, president of the Executive Council of the Serbian Autonomous Region of Krajina, and Serbian Radical Party President Vojislav Seselj on one side and Lieutenant Colonel Andrija Raseta, commander of the Fifth Army District units in Plitvice region, on the other.

The negotiations ended with General Raseta taking upon himself the obligation to convey the demands voiced at the Serb meeting to the Croatian Assembly, the Croatian Internal Affairs Ministry, the Federal Secretariat for National Defense, and the Command of the Fifth Army District, as well as to some more addresses.

Let us remind you, the main demands were: urgent release of 16 Serbs arrested after the tragic events in the Plitvice district on 31 March, withdrawal of Croatian constables from the Plitvice district and from the entire Krajina region, as well as enabling the newly founded public enterprise, the Plitvice Lakes National Park, to work normally. [passage omitted]

### Fifth Military District Statement on Rally

*LD0205181591 Belgrade TANJUG Domestic Service in Serbo-Croatian 1719 GMT 2 May 91*

[Text] Zagreb, 2 May (TANJUG)—The 5th Military District information service released an official statement this afternoon on the events in Plitvice and the attempts to organize the announced "peace march." This is the full statement.

"As is known, the Serbian Democratic Party [Srpska Demokratska Stranka] of the so-called region of Krajina announced that it would organize "the peace march" today from Korenica to Plitvice. The commanding body of the 5th Military District warned with the utmost resolve that the rally could not be organized in the Plitvice area where military units are stationed.

The rally took place at about 1300 in the area of Jezerce-Proboj, and went by relatively peacefully.

Unfortunately, in the aftermath of the rally a large group of extreme provacateurs set off toward Plitvice, defying all the warnings on the part of the Yugoslav Peoples' Army and the roadblocks. The most extreme, and very militant, participants in the rally broke through the trees beyond the road and reached the house of the Sixth Lika Brigade. Due to the resolute engagement of military units as well as of Colonel General Andrija Raseta and of military police units, a clash and a further advance toward Plitvice were averted.

No units of the Ministry for Internal Affairs were involved in this action, in line with an earlier agreement between the Ministry for Internal Affairs of the Republic of Croatia and units of the Fifth Military District.

In this statement units of the Yugoslav Peoples' Army make it clear to the public that they will do their best to prevent clashes and bloodshed, something that is in keeping with the SFRY Presidency's decision.

### 'Very Tense Atmosphere' in Vukovar Area

*LD0205193191 Belgrade TANJUG Domestic Service in Serbo-Croatian 1806 GMT 2 May 91*

[Text] Sid, 2 May (TANJUG)—All attempts by TANJUG reporters to reach Vukovar this afternoon ended unsuccessfully. They were prevented by a group of civilians armed with Kalashnikovs.

Even just outside Sid, the police are already warning drivers with Belgrade license plates to continue their journey "at their own risk". It is quiet on the road to Vukovar, but at the very entrance to the city there is a check-point where about 30 young men carrying arms are stopping and searching all vehicles and sending back those with "suspicious" license plates. The appearance of journalists raised the general temperature and provoked cries of "enough of journalistic lies". After being thoroughly searched a TANJUG team was ordered to return immediately. There were several policemen of the

Croatian Ministry of Internal Affairs on the spot, but it seems that they were in charge of vehicles coming from Vukovar and Vinkovci.

In a telephone conversation with police stations of the secretariat for internal affairs in the border area between the two republics, we learned that the situation was similar at all other approaches to Vukovar

Drivers leaving the Vukovar area have spoken about dozens of check-points, searches at gunpoint, and a very tense atmosphere.

### Croatian Police Ready To 'Settle Accounts'

*LD0205195191 Belgrade TANJUG Domestic Service in Serbo-Croatian 1905 GMT 2 May 91*

[Text] Zagreb, 2 May (TANJUG)—"The latest events in the Republic of Croatia are the most audacious provocation of Greater Serbian politics assisted by the so-called followers of Martic [head of Krajina internal affairs secretariat] and others—and unfortunately by foolish sections of the Army—calculated to incite violence and unrest on a large scale and thereby create grounds for Army intervention and mercenaries with the aim of destroying democracy and the constitutional order in Croatia and inciting civil war," Milan Brezak, the Croatian assistant minister of internal affairs, stated to Croatian television this evening.

Brezak confirmed reports that three policemen of the Ministry of Internal Affairs were killed today in the disturbances in Polaca near Bankovac in Dalmatia and in Borovo Selo in Slavonija, and six were injured. In Polaca, Franko Lisica died, and in Borovo Selo, Stipan Bosnjak and Mladen Cupic.

Brezak announced that the Croatian government is in session this evening and that the Ministry of Internal Affairs is discussing the whole situation.

"We are in the process of adopting decisions on how to act in the coming period," Brezak said, and called on all citizens not to react to provocations regardless of the fact that the losses are already great, but "we cannot allow our Croatian democracy to be destroyed by a few hundred hooligans and terrorists, whom the state of Croatia has the power to bring before the law, but because of the general state of affairs in Yugoslavia we are forced to be patient and prudent, as the Croatian government is doing."

According to Brezak, "the Croatian police force is ready at any moment to settle accounts by force with these terrorists when the order is goven."

### 'Terrorists' Fire on Croatian Helicopter

*LD0205193391 Belgrade TANJUG Domestic Service in Serbo-Croatian 1839 GMT 2 May 91*

[Text] Zagreb, 2 May (TANJUG)—A helicopter of the Croatian Ministry for Internal Affairs, carrying Croatian Assembly Vice President Vladimir Seks, who headed the assembly's delegation on its visit to Kijevo near Knin, was hit by a burst of fire on its return to Sinj.

According to Croatian television's evening report, a machinegun burst, attributed to terrorists, was fired at the helicopter after its take-off in Kijevo. The helicopter, with 10 persons on board, was seriously damaged but it was reported that no one was injured.

The helicopter was also carrying President of the Chamber of Municipalities of the Croatian Assembly Luka Bebic, Deputy Minister for Internal Affairs Jerko Vukas, and a Croatian television team.

### Borovo Selo Village 'Completely Cut Off'

*LD0205200191 Belgrade TANJUG Domestic Service in Serbo-Croatian 1931 GMT 2 May 91*

[Text] Borovo, 2 May (TANJUG)—The blockade around the village of Borovo Selo continues. It is completely cut off, so there is no official information about what is going on in the village itself. Tanks of the Yugoslav Peoples' Army, whose lights can be seen from high-rise buildings in the neighboring village of Borovo, are patrolling around the village.

On the Vukovar-Borovo road, up to the outskirts of Borovo Selo, only vehicles of the Ministry for Internal Affairs of Croatia and emergency vehicles of the medical centers of Vukovar and Vinkovci are shuttling sporadically.

There has been no official report yet on the number of the people who were injured today, or perhaps even lost their lives, when units of the Ministry for Internal Affairs entered Borovo Selo and during the ensuing clashes.

### Crowds Attack Serb Property in Krajina Villages

*AU0205210391 Belgrade Domestic Service in Serbo-Croatian 2000 GMT 2 May 91*

[Danko Peric report from Knin]

[Text] The situation in the Serbian Autonomous Region of Krajina and in the regions bordering on it is becoming more complex by the hour. As we have learned from our correspondents in Zadar, there was a real destruction campaign in this city in the late afternoon. Several thousand ethnic Croatian citizens who had announced a so-called peace protest attacked all catering and trade shops owned by ethnic Serbs from Zadar and elsewhere.

Several minutes ago, we received the news on a similar campaign in Biograd. Eyewitnesses say that the rampaging crowd moved along the boulevard, this is what they call their main street, destroying everything in their path that had a Serb sign or mark.

We have learned that a restaurant near the Zadar Railroad Station owned by a Knin citizen has been completely destroyed. This particularly interested listeners of

the Serbian Radio Knin. In addition to buildings, several cars owned by Serbs have also been damaged, and a large number of citizens were beaten.

Throughout this activity, the Zadar militia, policemen, or the constables, as they have recently been called, did not intervene at all.

We have just received a rather interesting piece of news from the Knin Secretariat for Internal Affairs. Without being asked to do so, that is, at their own initiative, citizens of the village of (?Potkonje), in which there was an armed clash yesterday between members of the Secretariat of Internal Affairs and a number of local citizens, this evening brought 16 Kalashnikov rifles to the Knin Secretariat for Internal Affairs. This is in addition to the arsenal confiscated yesterday from ethnic Croat citizens from this village and from Vrpolje, a village near Knin.

### 35 Reportedly Killed in Borovo Selo

*LD0205213691 Belgrade TANJUG Domestic Service in Serbo-Croatian 2115 GMT 2 May 91*

[Text] Zagreb, 2 May (TANJUG)—In its last news bulletin tonight Croatian television announced that, according to uconfirmed reports, 15 policemen of the Ministry for Internal Affairs of Croatia and 20 civilians were killed in Borovo Selo today.

The leadership of the Republic of Croatia is still in session, Croatian television reports. A public statement is expected from this session tonight.

### Army Denies Report of Clash With Croatian Units

*LD0305103891 Belgrade TANJUG in English 0959 GMT 3 May 91*

[Text] Belgrade, May 3 (TANJUG) - The Yugoslav Army last night denied a claim by the Croatian News Agency HINA that its members participated in yesterday's armed clash with Croatian Interior Ministry units in Borovo Selo.

Armoured units of the Army entered Borovo Selo yesterday afternoon, following the armed clash between Croatian police and majority Serbian population of this place in Slavonia, in the northeast of the Yugoslav Republic of Croatia.

Twelve Croatian policemen and three civilians died in the clash.

An announcement issued by the Belgrade-based command of the First Military District, which covers a section of Slavonia, stresses that "Yugoslav Army members used no firearms or fired a single bullet during the tragic events at Borovo Selo."

It points out that the "armed conflict was interrupted and further bloodshed prevented by the involvement of Yugoslav Army units."

The command assesses HINA's report as a "complete forgery and heavy charge, calculated to provoke anti-Army feelings and discredit the Yugoslav Army."

### Croatian President Tudjman's Statement

*LD0305110191 Zagreb Domestic Service in Serbo-Croatian 0015 GMT 3 May 91*

[Statement by Croatian President Franjo Tudjman following a meeting of the leadership of the Republic of Croatia; place and date not given—recorded]

[Text] Following the session of the Supreme State Council of the Republic of Croatia, I am addressing the Croatian people and all Croatia's citizens. We have experienced the most tragic day in the short history of the new democratic authorities, a year after the victory of young democracy in Croatia. We are facing, I may say, the beginning of open warfare against the Republic of Croatia. The media have said that 15 to 20 Croatian policemen have been killed in eastern Slavonia. According to the latest reports the number, however, is not of that magnitude. According to the latest reports, nine Croatian policemen were killed and three were missing. This tragic event did not come about out of the blue.

We have been faced throughout the year, since the establishment of Croatian democracy and a new government, with attempts to incite civil war, armed intervention, with attempts in fact to bring down the Croatian government and destroy the sovereignty of the Republic of Croatia, which it heralded with the adoption of its new constitution.

In recent days, these intentions and these events have been manifest in the maltreatment and physical and psychological terrorizing of the population of the village of Kijevo, in the perfidious murder of the policeman in Polaca, and in the wounding of two policemen and abduction of five people from the village of Potkonje. After that there was the capture of two Croatian policemen in Borovo Selo, Vukovar, and finally the deaths of nine policemen when they attempted to free their two captured comrades in Borovo Selo.

All this indicates that we are faced with very widespread and well-organized actions by Chetnik and Greater Serbian elements from Knin to the villages of eastern Slavonija, aimed at expanding the renegade movement, provoking the armed intervention of the Army, preventing the changes in Yugoslavia's leadership in the Presidency, and preventing the holding of the referendum in which both the Croatian nation and all citizens of Croatia would be able to express their wishes and their democratic decision on the way they wish to emerge from the existing state and political crisis of present-day Yugoslavia.

We are faced with a scenario that has been on-going since the first days of the foundation of the democratic government in Croatia, which has endeavored, and is

aspiring, through dogmatic Communist elements within the Army itself, and connected with the Army, through the mobilization of all Greater Serbian imperialist circles, to overthrow the democratic government in Croatia and to establish a Serboslavia [Srboslavija] or Greater Serbia.

We are faced with a policy that even wants to force the Republic of Slovenia out of the Yugoslav community to home in on Croatia, and include Croatia in a Greater Serbia. It is very interesting that these Greater Serbian and Chetnik circles have counted on the fact that the Yugoslav Army would directly engage itself on their side. However, the Yugoslav Army, and the Yugoslav Presidency have formally acknowledged the legitimacy of the new Croatian government, but they have taken an indecisive and indeterminate stand regarding the renegade movement that has emerged from Knin, as far now as Slavonija.

The truth has to be stated; the leadership of the Yugoslav Army and the commanding officers of the Yugoslav Army and Yugoslav units have not openly come out on the side of the renegade movement and Chetnik elements, but the behavior of some individuals, and some units in individual cases, was such that the renegade and Chetnik elements were able to reckon that the Army would be on their side. The Army observed the formation of the outlaw movement in Knin, and even set conditions that the regular police forces of the [Croatian] Ministry of Internal Affairs should withdraw, but did not, for example, impose such conditions in all cases regarding the renegades, although recently, and this should be said, in some instances the Army has also overcome the renegades in certain places. For example, it did not permit yesterday's attempt to stage the reoccupation of Plitvice.

All in all, we have entered a period in which the Greater Serbian elements are attempting in their policy, which has been going on since last summer when the Knin insurrection began, to incite civil war, to involve the Army at all costs. But I hope that reason will prevail in the Army, which has hitherto prevented it from involving itself on the side of the outlaw movement. At the same time, we, as the government of Croatia, will call on the Yugoslav Presidency, as the Supreme Command, and the Army leadership, to take a public stand on the recognition of the legitimately elected democratic government in Croatia, and will ask it to cooperate with the Croatian government in reestablishing the disrupted legal order in the Republic of Croatia.

As for the tragic death of the nine Croatian policemen and the three who were missing, according to the latest report, as I have already said, I have ordered that an investigation, within the framework of the Ministry of Internal Affairs, be conducted into all circumstances surrounding the carrying out of the action that led them into a trap, obviously prepared by professional insurgents who, according to fairly reliable sources, had been partly infiltrated from the Republic of Serbia. Regarding this, the Croatian government will reconsider overall relations with the Republic of Serbia in light of the firm, well-established fact that not only have the terrorist actions and insurrection been supported and encouraged from Serbia, but they have been directly organized even by some official representatives who were coming to eastern Slavonia and even to Knin, and in this way they were directly supporting and encouraging the insurrection and criminal acts; and consequently, the terrorism has eventually led to the most evil crimes such as the killings of policemen, something that is regarded as the most serious crime in the whole civilized world.

Regarding this I want on this occasion to call on the Serbs in Croatia, the majority of whom are not siding with the forces of insurrection, to dissociate themselves from those bullies and terrorist actions; because these actions, this insurrection, these violations of the constitutional and legal order of the Republic of Croatia put normal coexistence between the Serbian and the Croatian population at stake, and consequently puts both their present and their future at stake. One should expect that the voice—which has already been heard—coming from the sensible Serbs in Croatia will be heard to an even greater extent and that the Serbs themselves will neutralize those elements among their ranks who are really jeopardizing normal coexistence and the consolidation of the situation, which is damaging to Croatia as a whole as well as to Yugoslavia and which cannot be tolerated by Europe either.

As for the situation we have found ourselves in, the Ministry of Internal Affairs will order the mobilization of regular personnel in the crisis-stricken areas. We shall continue our policy of reason; we shall try to avert at all costs human losses, something that has already happened. In this context I want particularly to address the Croatian people who have every reason to be alarmed, who have been humiliated in these insurgent areas, who have every reason to lose their patience; but I am, nonetheless, calling on our people to be understanding and to realize that we are doing our best to establish legal order in the Republic of Croatia in a democratic way, by political means. But equally, we shall do our best, as we have done so far, to rally our political forces, as we have recently decided to transform some of these political forces into National Guard units so we can fight terrorism.

Unless those who have been inciting this terrorism reach the conclusion that terrorism should be abandoned and realize that they should recognize the legitimacy of the Croatian authorities and that they should renounce their insane intentions to create a Greater Serbia out of Croatia's terrorities, then we shall by all means, by political force, by the National Guard, as well as by calling on the entire nation, know how to fight the terrorism and defend every inch of Croatia's soil.

Nonetheless, I am calling on the Croatian people not to lose their patience; to believe that we shall in due course make all the moves necessary to restore legal order. But

pending that we shall do our best to avert the human loss of the kind that took place today. Therefore, those people who have been calling—and still are—on the people to spontaneous resistance, they should consider the fact that spontaneous resistance, unorganized resistance, may bring about tragic consequences. If the need to call for that arises, if one will have to stand up with arms in one's hands and defend the freedom and sovereignty of the Republic of Croatia, then we shall do so. But we shall embark on this only when every other avenue is closed, when nothing else remains at our disposal. Then we will not shy away from sacrifices if need be. But as long as we can count on our ability to avert them, we shall do everything to find solutions without human losses.

In this respect we shall also address the international public and institutions that are interested not only in human rights but in peace in Europe and the stability of international order. Those who believe they can force Croatia into submission, that they can topple the Croatian authorities, should not delude themselves. We are determined to defend our freedom and the sovereignty of the Croatian people. We are offering peace; we are offering a democratic agreement as a solution to all issues. But equally we shall not tolerate the further escalation of terrorism in Croatia, and we shall not tolerate the making of any plans at the expense of the Croatian homeland. I expect that the Croatian nation, Croatia's people, at home and abroad, will have an understanding for the policy we are pursuing, that they will not be lured by all sorts of amateurish calls, and even provocations, which do not take into account the overall situation in Yugoslavia and the world and do not take into account the fact that some unwise moves and steps might cause an undesired and excessive number of victims.

Rest assured, though, that the Croatian government, Croatian Assembly, and I personally will take all the measures necessary for defending the freedom, democracy, integrity, and sovereignty of the Republic of Croatia.

## Serb Party in Zagreb Wants Referendum

*LD0205183191 Belgrade TANJUG Domestic Service in Serbo-Croatian 1034 GMT 2 May 91*

[Excerpt] Zagreb, 2 May (TANJUG)—The municipal committee of the Serbian Democratic Party [SDS] for Zagreb said in statement today that it has asked the Federal Assembly to call for a referendum, in which all the citizens and nations of Yugoslavia would be given an opportunity to state their views about the country's fate. In the same statement—which has also been sent to the SFRY Presidency and the presidents of the Republics of Croatia and Serbia—the SDS Zagreb branch insists that a referendum take place throughout the country at the same time, and under the supervision of federal authorities. In reference to a referendum to be held in the Republic of Croatia on 19 May, the SDS municipal committee says that this referendum is designed to devalue the referendum at the federal level, and to speed up Croatia's separation from Yugoslavia in the name of "democracy". [passage omitted]

## Serb Meeting Held Despite Croatian Police

*AU0205154791 Belgrade Domestic Service in Serbo-Croatian 1300 GMT 2 May 91*

[Milos Trajkovic and Kosta Krajincanic report from Titova Korenica]

[Text] [Trajkovic] About 10,000 Serbs from throughout Krajina as well as from other parts of Yugoslavia have gathered in Jezerce, a place not far from the main entrance to the Plitvice National Park. The first person to address the people gathered was Milan Babic, president of the Executive Council of the Serbian Autonomous Region of Krajina, who reiterated the demand that the Croatian Police must leave the Plitvice Lakes area and the other parts of the Krajina region. Babic pointed out that the Yugoslav People's Army has done much for the Serbian people living here, but also added that the Army has become rather inactive and that it still has not implemented the SFRY Presidency order on the disarmament of paramilitary units.

Titova Korenica Commune President Bosko Bozanic said that the Plitvice Lakes have been occupied by the Croatian constables who are not allowing the national park employees to return to their jobs. Bozanic added that all the earning from tourism in Plitvice used to flow away to Zagreb, because of which the Korenica Commune remained undeveloped.

Serbian Radical Party President Vojislav Seselj who was tumultuously greeted by the people present, said that at the referendum scheduled for 12 May, Serbs in this area will certainly decide that the Serbian Autonomous Region of Krajina should accede to Serbia. After that, the Serbian Assembly will have to comply with that decision.

Seselj said that the western borders of Serbia should run along the Karlobag-Ogulin-Karlovac-Virovitica line, and until all Serbian lands are united, he said, Serbs need no political party other than the Serbian Democratic Party.

[Krajincanic] Speakers have frequently been interrupted by chants, Let us go to Plitvice, and, This is Serbia. The most conspicuous of the banners carried was a message to Tudjman: Defenders of the hearth are not terrorists. Pictures of Slobodan Milosevic, and even of Draza Mihailovic [General Dragoslav Mihailovic, head of the wartime royalist forces] were carried. There was also a large number of flags, Yugoslav, Serbian, of the Serbian Autonomous Region of Krajina, and of the Serbian Democratic Party.

As could be expected, the Croatian Police have done everything to hamper or prevent the people from arriving to the meeting. Judging from what we have

personally seen and what Gracac Commune Assembly Secretary Goran Stanic told us was reliable information, a group of about 800 members of the special forces blocked the road to a column of cars. There were some unpleasant scenes: Some cars were demolished, passengers maltreated, and even some bad words were said about Serbs, Krajina, and Milan Babic. Only three out of 138 vehicles have been let through, and the others have had to take a long way round, over the territory controlled by Serb militia, to arrive at Korenica and join the march.

### Trade Secretariat Warns Serbia on Levies

*LD0205185891 Belgrade TANJUG in English 1333 GMT 2 May 91*

[Text] Belgrade, May 2 (TANJUG)—The Yugoslav Federal Secretariat for Trade today warned the Assembly of the Republic of Serbia that its decision to introduce special levies on oil derivatives, coffee, tobacco and alcoholic beverages was "illegal and unreasonable."

A statement released by the Federal Trade Secretariat today said that the "implementation of the decision will place the citizens of Serbia in an unequal position compared with the citizens of the other republics."

The statement said that an increase in inflation would be another consequence of Serbia's decision.

The Assembly of Serbia last week approved a government proposal for additional levies to be imposed on certain types of goods to ensure social welfare funds.

The Federal Secretariat for Trade today recalled that the "fixing of any levies on the prices of the cited products is in the direct competence of the federation, which makes the decision of the Assembly of Serbia all the more unlawful."

### Serbian Economic Program Deemed 'Empty'

*AU0205152391 Belgrade BORBA in Serbo-Croatian 25 Apr 91 p 4*

[B.Gulan report: "Empty, With a Lot of Panic"]

[Text] Belgrade—The Serbian government's program is a program of nice wishes that could possibly be fulfilled in the indefinite future. It is not good that the program generally gives negative assessments of the reforms that are under way and that it does not offer some better solutions. In formulating it, the program's creators did not make use of the knowledge of economic scientists, which points to the fact that it is empty. This was the assessment of Serbian economists at a round table organized yesterday by the Belgrade Institute for Economic Sciences.

What the government has proposed is nothing revolutionary and could be linked to any government, that is to say, it has nothing specific in it, Dr. Tomislav Popovic stressed. This concerns its three basic parts, regarding the rationalization of the administration, changes in the taxation system, and the programs and projects that are under way or being planned. Discounting this, the program is empty and weak. All this shows that the Government is in a panic.

This is a program of uncertainty and expectation, Dr. Cedo Veselinovic stressed.

Dr. Aleksandra Posarac wondered what would happen to the people if they expected a better future and if every government started from the beginning and with new promises. The program mostly contains figures that are being used to buy social peace.

This program does not endorse the program of the Federal Executive Council, it speaks about it in a negative way, but it does not say how to initiate development in Serbia, Dr. Marta Balzer-Madzar thought.

It is not good that the program says nothing about the causes of the serious economic situation in Serbia, Ljubica Tesic-Nadlacki stressed.

### Andrej Ocvirk Rumored To Replace Mencinger

*AU0205172891 Belgrade BORBA in Serbo-Croatian 25 Apr 91 p 5*

[Text] It is almost certain that Andrej Ocvirk, currently assistant director of the Ljubljana "Petrol" firm and former minister of science in the Mikulic government, will be replacing Joze Mencinger as vice president of the Government of Slovenia, who handed in his resignation on Monday. It has been learned that Ocvirk has agreed in principle to the position of strategist of Slovene economic policy, but it is not yet known whether Demos leader Joze Pucnik, leader of Demos, only agreed with this or whether he played a role in selecting Mencinger's replacement. That is to say, both Mencinger and Ocvirk are members of his Social Democratic Party.

It came to light yesterday that the crisis in the Slovene government was more intense than it seemed. That is to say, at the time of Mencinger's resignation, Finance Minister Marko Kranjec was preparing to take a similar step. Judging by the latest unofficial reports from Demos, Kranjec is nevertheless staying in Peterle's government.

### Democratic Action Opposes Serb Communes

*AU0205184391 Sarajevo OSLOBODJENJE in Serbo-Croatian 28 Apr 91 p 3*

[Text] The Executive Council of the Party of Democratic Action of Sarajevo yesterday issued the following statement regarding the formation of the so-called Bosanska Krajina Community of Communes, which was decided upon at a meeting in Celinac on 25 April:

"1. Changes in the existing, and the creation of new, communities of communes on the territory of Bosanska Krajina were carried out without the Government of

Bosnia-Hercegovina being informed or consulted, and are conflict with the recommendations of the Assembly and Government of the Bosnia-Hercegovina proposed and adopted at the sessions held on 19 and 24 April 1991.

"According to the Party of Democratic Action, turning a deaf ear to the assembly's recommendations and the government represents inadmissible disrespect for the highest units of the democratic authorities in the republic.

"2. Although economic reasons are being offered as justification for the amalgamation into a community of communes, neither the government nor the assembly, nor their own public, have been offered an explanation that would show that the aforementioned reasons for setting up a different community of communes really exist. On the contrary, all those communes in which the Serb population is not the majority population have been excluded despite the fact that some of them are economically and territorially inseparable from Bosanska Krajina as a whole.

"3. Today's decision completely ignores and negates the right of Muslim and other peoples on the territory of that region to take part in discussing, preparing, and making decisions on all aspects of this a type of association. In this way the principle of national equality has not been adhered to. This principle represents the fundamental constitutional prerequisite on which Bosnia-Hercegovina is founded. All this instills disquiet and insecurity among Muslims living in these communes. It also creates a feeling that the aforementioned association is in a direct conflict with the basic human and national rights of the Muslim and other peoples who live in Bosnia-Hercegovina. The Party of Democratic Action considers unacceptable all decisions that one- sidedly change the existing regional links among communes in any part of the republic.

"4. We also think that the lack of respect for the legitimate interests of the Muslim and other peoples in that area directly threatens the political stability of the republic, and those taking part or encouraging the aforementioned activities in any form should bear responsibility.

"The Party of Democratic Action will support all forms of communes linking up in the spheres of the economy, culture, and social policy that take into account resource, cultural, demographic, territorial, and communication factors, but refuses to and will not accept the creation of single-nationality sociopolitical communities in multiethnic Bosnia-Hercegovina under any excuse. Not only is this unconstitutional, but is also in conflict with the basic interests of all peoples and citizens in Bosnia-Hercegovina."

## Community of Serb Communes Formed in Bosnia

*AU0205184291 Sarajevo OSLOBODJENJE in Serbo-Croatian 27 Apr 91 p 4*

[Ranko Preradovic and Midhat Kaliman report: "Loose Federation—Loose Bosnia"]

[Excerpts] Banja Luka, 26 Apr—The founding session of the Assembly of the Banja Luka Community of the Bosanska Krajina Communes was held in the Tourist Hotel in Celinac near Banja Luka last night.

The community has been joined by the communes from this part of Bosnia-Hercegovina whose assemblies agreed to join the community: Bosanska Dubica, Bosansko Grahovo, Bosanski Petrovac, Bosanska Gradiska, Glamoc, Celinac, Kljuc, Mrkonjic-Grad, Laktasi, Srbac, Skender-Vakuf, Sipovo, Prnjavor, and Titov Drvar. These communes delegated to this community a total of 95 deputies, seven deputies each. Sipovo reserved one place for the Party of Democratic Action and Bosanski Petrovac two places for members of other parties. [passage omitted]

The meeting in Celinac was attended by 72 deputies who elected in a somewhat unusual way the president of the Assembly of the Community of Communes, two vice presidents, and a secretary.

The voting was secret. However, the commission for nominating candidates consisted of all deputies who publicly proposed candidates for the president. To prevent the possibility of worthy candidates dropping out of the election race, it was agreed that the candidate with the greatest number of votes on the joint list of candidates be elected president, and that persons with the second and third largest number of votes be elected vice presidents. The list including the following: Radoslav Brdjanin from Celinac; Dragan Knezevic from Titov Drvar; Vojo Kupresanin from Srbac; Dobrivoje Vidic from Prnjavor; and Rade Djukic from Sipovo.

After examining the ballots, the Election Commission stated that Vojo Kupresanin received the greatest number of votes, 47, and that he was elected president. Radoslav Brdjanin came second with 45 votes, while Dragan Knezevic and Dobrivoje Vidic both received 31 votes. To avoid the second round of voting for the second vice president, it was agreed that Dobrivoje Vidic step down as candidate in view of the leaders' territorial representation. Dragan Knezevic was elected the second vice president by acclamation.

The secretary of the Community of Communes was not elected. Because Banja Luka will be the administrative center, it was left to Banja Luka to propose a candidate for this post. The candidate must be a lawyer. Lawyer Dusko Djajic from Celinac was elected acting secretary until the election of the secretary. [passage omitted]

Josip Juric, delegate of the Croatian Democratic Community from Mrkonji-Grad, made sure that not everything was adopted unanimously in the Tourist Hotel last night. He said:

"We members of the Croatian Democratic Community were not against regionalization at the session of the Communal Assembly of Mrkonjic-Grad. We abstained from voting. We will remain as such until you gentlemen convince us that economic motives are the reason for regionalization. After all, the discussion here in Celinac points out that the priority is being given to political motives."

Vojo Kupresanin, the new president of the Community of Communes for the next four years, started his opening speech by saying:

"All Serbs, brothers from Krajina, brother Croats, and brother Muslims, thank you for the expressed trust and good luck to the Krajina Assembly. Widespread poverty has forced Serbian people, and probably other peoples in Bosanska Krajina, to make this step.

"We have never had any say in politics and the economy and have been on the periphery of events for a long time. A few days ago we said that we will be nobody's colony and that we will not allow the construction of villas and palaces in Sarajevo while we here in Krajina live in poverty, as has the been the case so far. We have finally put an end to this. However, they, Bosnian leaders, they are not bothered by Bosanska Krajina, they are bothered by a possibility of us linking up with our brothers in Croatia. Nobody can separate us from our brothers in Croatia, there is no such force. Our holy thing is protect our brothers in Croatia and we will, if need be, give our lives for them.

"However, we live in Bosanska Krajina, not Krajina, and we are not breaking Bosnia's borders. They should know this. We also say that this is the time of democracy and that we have set up a region according to Amendment 42, according to the republican and federal laws. Nobody can say that we have violated the law. However, our message to Pelivan [Jure Pelivan, president of the Bosnian Government] and the Bosnian Government is that our government must be more democratic, that it must be more honest, and that it must serve the people. It must not be a federal government. Our government has hardly assumed its office, but has already started to violate the law. It is resorting to illegal methods and Krajina will probably ask the government to resign. We in Krajina have great tasks and great obligations. We will carry out numerous reforms, in education, health, and elsewhere, and will work on producing successful, strong, and rich farmers. We will strive for the greatest possible reduction in our contributions to the federation." [passage omitted]

## Bulatovic 'Discouraged' by FEC Program

*AU0205131091 Belgrade BORBA in Serbo-Croatian 22 Apr 91 p 4*

[TANJUG report: "Other Solution Needed"]

[Text] "I am personally discouraged by the basic elements of Markovic's expose. I believe that the SFRY Assembly should consider the consequences that stem from this new macroeconomic model most seriously and with full responsibility," Montengrin Presidency President Momir Bulatovic said.

"The prospect of Yugoslav production falling by 20 to 25 percent by the end of the year is particularly worrying and leaves no room for nonchalant speculation. Considering that the production fell so drastically last year, this is opening a field of enormous social upheavals and problems."

"I hope that when the SFRY Assembly discusses Ante Markovic's expose and the program of our Federal Executive Council President in the next few days, it will also be in a position to thank him, and ask him to try and find some other solution, a solution that would not lead so directly toward the collapse of the Yugoslav economy and production," Bulatovic stated at a discussion forum organized by Pljevlja Communal Committee of the League of Communists.

## Montenegrin Assembly Rejects Markovic Program

*AU0205093791 Belgrade BORBA in Serbo-Croatian 25 Apr 91 p 4*

[S.V. and Lj.M. report: "A Package Full of Illusions"]

[Text] Titograd—The night before last [23 April], the deputies of the Montenegrin Assembly endorsed the stand in the introductory speech by Milo Djukanovic, president of the Montenegrin government, that the package of measures of Ante Markovic and his cabinet—called the "eleven plus 3" package—is unacceptable to Montenegro.

The conclusions, which were adopted the night before last, say that the proposed concept of the Federal Government's new macroeconomic policy was critically discussed and was assessed to be at variance with the existing constitutional-legal provisions and, from the economic viewpoint, inappropriate to the requirements of an effective way out of the crisis in which we find ourselves. The restrictive macroeconomic policy, which continues to be the basic orientation of the Federal Executive Council, and the proposed redistribution of wealth between the developed and undeveloped regions do not guarantee that the reform actions will be carried through and that market conditions will be created for business operations and the way out of the crisis, so the Assembly cannot endorse it. The Assembly therefore assesses that the way out of the economic crisis should be sought in an orientation toward economic reform and in

an aggressive developmental concept, that is to say, in reviving all economic activity and beginning a new developmental cycle.

Proceeding from the speech by the Montenegrin president and the adopted assessments and conclusions, the delegation of the Assembly of the Socialist Republic of Montenegro in the SFRY Assembly Chamber of Republics and Provinces will insist that the proposed concept of macroeconomic policy be changed, it will inform the Montenegrin Assembly, and assess the need to raise the question of confidence in the Federal Government. After discussing the speech by Milo Djukanovic and considering the debate that was conducted at the session of the Montenegrin Assembly on 23 April 1991, the Assembly adopted the following assessments and conclusions:

First, the Assembly states that in the last few months there have been blockages and obstructions in carrying out the social and economic reforms; the country's constitutional-legal order has been suspended; distinctly recessionary trends have appeared in the production sector, as well as other major disturbances in the system of reproduction; the country's security has been seriously undermined, and human rights and freedoms have been violated.

Second, the Assembly states that Montenegro has been on a reform course throughout the last few months and in all of its activities it has not contributed to the undermining of constitutionality and legality.

## Montenegrin Security Denies 'Threat' to Tudjman

*LD0205201391 Belgrade TANJUG in English 1639 GMT 2 Apr 91*

[Text] Titograd, May 2 (TANJUG)—The Montenegrin Interior Ministry today reported in Titograd that it did not have in its possession knowledge about the alleged threat to any of Yugoslavia's six republican presidents during their recent meeting in Cetinje on Monday.

Croatian President Dr Franjo Tudjman during a news conference at the end of the fifth meeting of republican presidents held at the one time capital of Montenegro, today Yugoslavia's smallest republic, set out that an assassination attempt was prepared against him "and some others". Dr. Tudjman said that he received information about this "in Yugoslavia and from another three European countries."

A statement of the Montenegrin police, however, sets out that even the Croatian police, which arrived a day ahead of the meeting, did not present the official security with information regarding the safety of the presidents which could corroborate Tudjman's claims.

The statement also cites that Vasilije Djurisic (30) was apprehended and handed over to the magistrate on Monday evening. He was responsible for throwing a stone at the bullet-proof car of the Croatian president who was leaving Titograd.